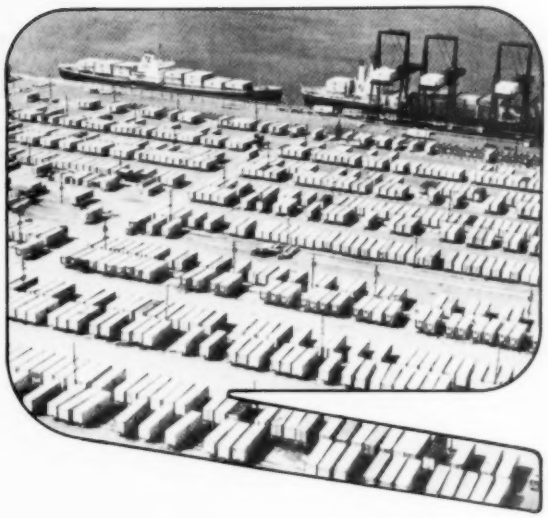
COMMERCE AMERICA

U.S. Department of Commerce / March 27, 1978



Business-Government Dialogue Warms Up

Eximbank's Commitment To American Exporters

(John L. Moore, Jr., President and Chairman of the Export-Import Bank of the United States, addresses this message to the readers of Commerce America.*)*

Eximbank—the Export-Import Bank of the United States—is actively participating in the President's program to increase U.S. exports. As the U.S. Government's principal export financing agency, we are increasing our authorizations to help American firms win more foreign orders.

The United States is experiencing a continuing deterioration in its international trade account. Imports far exceed exports for two principal reasons: first, and most importantly, our oil import bill has increased nearly tenfold in the past five years; and second, the slower economic recovery experienced by our trading partners has reduced demand for U.S. exports.

The Carter Administration is working to improve our trade imbalance by limiting the rapid growth of our energy import requirements and by encouraging an increase in U.S. exports through sound economic policies and the assistance of agencies such as the Export-Import Bank.

Since I became Eximbank's President and Chairman last May, Eximbank's directors and senior staff members have been meeting with U.S. exporters, foreign purchasers, bankers, and other U.S. and foreign government officials to effect a resurgence of interest in U.S. exports. Although we expect to see a significant increase in Eximbank authorizations during the coming year, we also hope to see an overall increase in U.S. exports far exceeding those for which Eximbank's financial assistance will be required.

During FY 1977, Eximbank's authorizations of $5.6 billion supported $8.5 billion in U.S. exports. Total U.S. exports during that period exceeded $120 billion. The level of exports facilitated by the Bank during FY 1977 decreased for the third consecutive year, and reflected, in part, the more restrictive lending criteria employed by the Bank during the past few years.

The record U.S. trade deficit of $26.7 billion in 1977 underscored the need to reverse the downturn in Eximbank authorizations. President Carter announced last December that Eximbank lending activity would be increased shortly in order to achieve a substantial increase in U.S. exports. The President's export policy statement was followed by his budget request for FY 1979, which included Eximbank authorization levels totaling $12.1 billion, and by the introduction of Administration-sponsored legislation to increase the Bank's overall commitment authority and to extend its life.

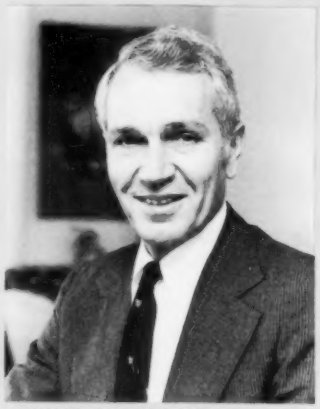
The upswing in Eximbank activity has already begun. In the first five months of FY 1978, Eximbank authorized $968 million in direct loans, 38 percent above the direct loan authorizations during all of FY 1977, and 520 percent above the level authorized during the first five months of last year.

Eximbank is placing an increased emphasis on enabling U.S. exporters to compete equitably with exporters from the other major trading nations. A delegation from Eximbank and the Treasury Department recently completed negotiations with representatives of 20 member nations of the Organization of Economic Cooperation and Development (OECD) resulting in a new arrangement on international export credit practices which eliminates much of the ambiguity of the previous consensus. (See story, page 7)

Within the guidelines of the new international arrangement, Eximbank works with private financial institutions to provide U.S. exporters with financing for their sales which is reasonably competitive with the officially-supported financing provided to the exporters from the other major trading nations. It should be remembered, however, that Eximbank does not provide foreign aid or development assistance loans, and that we cannot match the terms of soft-loan assistance provided by other nations. We also do not attempt to offset any competitive disadvantage which U.S. exporters may experience in price, quality, product availability, service, or other factors.

We have a full range of programs to meet the varying needs of American exporters. We have no individual country exposure limitations and prefer instead to consider transactions on a case-by-case basis.

Eximbank is committed to the task of facilitating our nation's exports and will continue to work closely with others in the U.S. exporting community to insure the continued growth and stability of the American economy.



JOHN L. MOORE, JR.

COMMERCE AMERICA

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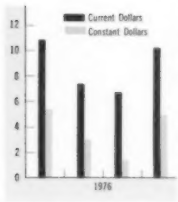

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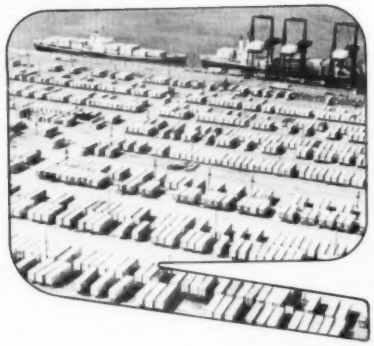


Business-Government Dialogue Warms Up

An announced theme of the April 5-6 Chicago World Trade Conference is: "U.S. Government: Partner, Adversary or Spectator?" From Washington Frank A. Weil, Assistant Secretary of Commerce for Industry and Trade, responded: "The implications in that theme are plain. We in government can be disturbed, embarrassed, upset—or we can take it as a timely and useful challenge. At Commerce we see it as an opportunity to talk things over." To assist in the discussion process, Commerce America has asked Weil and two Chicago world trade leaders to examine some of the points currently at issue in the government-business relationship.

ASSISTANT SECRETARY WEIL: Let me begin by commenting that government, in seeking to play a partnership role with the export community, wonders sometimes what kind of a partner is to be found there. Currently, for example, there is much public discussion on such matters as DISC, the foreign income tax exclusion, and the continuation of Eximbank's support financing. Opponents have been aggressive in creating strongly negative images in the public eye. I know that exporters' groups have made vigorous cases with government. But are these views reaching the public forum, which is so influential? As far as the general public knows, is there, indeed, such a thing as a definite, documented export community?

RICHARD D. HIGGINS, PRESIDENT, INTERNATIONAL TRADE CLUB OF CHICAGO (and Operations Vice President of Bell & Howell's International Group): First of all, is there a "partnership" role when the Administration position has been in opposition to the maintenance of the programs in question—all of which so obviously benefit the export community? The "popular" image is the result of the press picking up what is the "popular" political position, whether this is in the best overall interests of the national economy or not.

In this context I would have to say that business interests have been far from silent. At Bell & Howell, we have participated in survey work and questionnaires dealing with these items and have voiced our clear support for retention of measures you refer to, which clearly benefit export business.

Moreover, such organizations as the U.S. Chamber of Commerce, the National Association of Manufacturers, on a broad basis, and the International Trade Club of Chicago and the Chicago Association of Commerce and Industry, as representative of more local functions, have taken positive positions on questions such as retention of DISC, etc., and have forwarded such thinking to significant individuals both in the Administration and the Congress. Generally, I think business has expressed its feelings through a variety of forms, all of which has constituted a significant rebuttal.

A specific note on DISC: it would seem much more preferable for such measures, along with all other specially structured assists to export, to be eliminated—on a *worldwide* basis. However, we live in an international context of a great variety of special incentives set up by virtually every major trading nation around the globe, and for this reason, if none other, we should clearly retain the DISC advantage, such as it is, for American exporters. In fact, to be effective, it should embody a definite tax exemption and not represent an indefinite deferral.

As to the question of the existence of an "export community" the raising of the point would seem to stem more from the fact that such a constituency has a relatively small voice (at least in political terms), rather than the presumption that it does not exist. This would seem all the more so, compared to some of the more politically acceptable monolithic organizations that exist today, reflecting interests not sympathetic to those of international business operations.

WILLIAM J. McDONOUGH, VICE PRESIDENT, FIRST NATIONAL BANK OF CHICAGO: I would say yes, there is an export community but it is probably not "definite and documented." Certain elements of our financial system like DISC and foreign income tax exclusion are American counterparts to what is done for trading members of other countries. Thus, it is easy to charge these as "ripoffs." To retort effectively with the public takes a good deal of explanation unless the listener has a substantial factual background for understanding.

WEIL: Americans are currently hearing intense appeals for protection of import-hurt domestic industries. These can be a potential hazard for exporters in that they invite retaliation abroad. Don't you think the Administration's measured response—using a variety of relief techniques while avoiding imposition of hard quotas or higher tariffs—is an effective act of partnership with exporters?

HIGGINS: I believe you are referring here to the use of such techniques as orderly marketing arrangements and adjustment assistance. On this basis, my response is definitely affirmative; but this government approach is more than just a partnership with exporters. It is an action in the best interests of our society as a whole.

As a broad business policy, Bell & Howell believes in open and free trade in the sense that this inherently means "fair" trade. The same position is taken by the International Trade Club of Chicago. This definitely assumes that there be an appropriate balance in our international trade arrangements (i.e., no one trading country has an unfair or undue advantage over the other in terms of arbitrary restrictions). Certainly, excessive or unreasonably stringent restrictive action on the part of any one country—however well intentioned in terms of trying to safeguard the well being of its economy and society—can only lead to international economic disruption, eventual drastic unemployment, world recession, and even armed conflict. Witness the result of the Smoot-Hawley tariff, enacted in the 1930's.

Sensible "phased" adjustments to changing international economic conditions and differences that arise in comparative advantages among nations are reasonable means of handling this evolving pattern of international trade.

McDONOUGH: I would generally agree that a variety of relief techniques, if they are sensible, are a better solution than tariffs and hard quotas. Tariffs lead to counter-tariffs and strangle trade.

WEIL: Let's turn to the current Administration drive to open Japanese markets to American products. The Japanese groups that we helped bring to this country this month report purchases of $2 billion in American products. We see such efforts as truly unprecedented in direction and scope. Don't you think them helpful and promising, in terms of willingness to take new initiatives, to be bold, to act with dispatch?

McDONOUGH: Yes, the Administration's drive to open markets in Japan is praiseworthy. I must add at this point, however, that many traders feel that the efforts, though adequate in form, are likely to be inadequate in substance.

HIGGINS: One would have to agree completely, but this is a bit like casting a vote for motherhood.

There can be only great admiration and respect for the dedicated and organized work pattern of the Japanese, coupled with their creativity and energy, that has developed that economy into the position it occupies today. On the other hand, such a position has been more than assisted by trade and economic restrictions by the Japanese, which have gone well beyond what should have been allowed on an international trade basis for the past many years. In short, Japan has been permitted to maintain regulations on its trade and economy well above and beyond what was called for a a result of an admittedly devastating experience after World War II.

What our government is now doing to rectify this situation is laudable but, as the representative of the largest market the world has ever seen, its action is being undertaken considerably after the fact of huge negative trade balances. It's a question as to whether there can be any really effective turnaround in the necessary short-term period ahead.

WEIL: On a lesser but still important level: how

"Export business is more complicated than the simple domestic sale, and mid-size and small firms find they have far from exhausted their marketing possibilities within the U.S."

ASSISTANT SECRETARY WEIL—"I know that exporters' groups have made vigorous cases with government. But are these views reaching the public forum, which is so influential? As far as the general public knows, is there . . . a definite export community?"

RICHARD D. HIGGINS—"What is effectively being done to coordinate . . . agencies involved in international trade, so that the government can speak clearly with one voice?"

can we get the attention of U. S. firms when we have useful specific assistance to offer? An example: our recent comprehensive market study on Iran—termed by some industry people as better than many $250-$300 studies from commercial sources—was priced far below cost at $4.75. But less than 2,000 copies were purchased. When it comes to marketing our services, are we in Commerce somehow out of touch?

HIGGINS: The study in question is extensive, thorough and highly valuable; it is obviously being made available at a ridiculously low price; it would cost any one private organization thousands of dollars to develop on its own.

"Our American private sector has an historic bias that anything done by the public sector is suspect."

One can perhaps query the business approach taken by Commerce in setting about on activities such as this. If a commercial organization were to consider such an effort, it would have done enough of an initial market study to determine whether or not it would have an appropriate return.

In this particular instance, it would probably be assessed that there really are only, in fact, a limited number of companies that would find use and value for this type of extensive insight into one market—notwithstanding the fact that such market is of growing significance in many product and service areas. The 2,000 purchase figure, therefore, does not seem too surprising.

On a more general basis, it would seem that a significant government function, such as the Department of Commerce, has available the same tools, techniques and facilities as would a business in determining how to reach its market and promote the goods and services it has to provide. There's no reason why the government can't use the same research and promotional techniques as used by private business to make sure what its audience is and that such audience is aware of the valuable "wares" it has to disseminate. Based on the example given, perhaps government is, at least to some degree, out of touch. Our organization seems to be appropriately advised of Commerce activities, however, and does take advantage of whatever is felt to be useful.

McDONOUGH: I might add that our American private sector has an historic bias that anything done by the public sector is suspect. Thus, even a publication with a value of $250 sold at $4.75 is not appreciated.

WEIL: The common refrain is that thousands more U.S. firms could be successfully exporting. We in Washington are apparently not yet the most effective persuaders, so we take much of the blame for this. But what are you in the business community doing to help enlist such firms—your colleagues—as exporters? After all, the decisions to become exporters must be made by individual firms, not by the government.

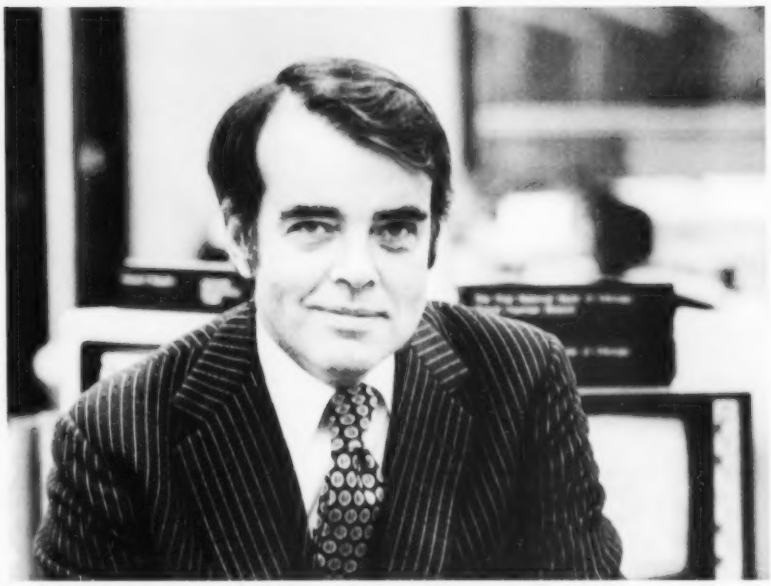
McDONOUGH: It is my belief that encouraging U.S. firms to export is a government task. Most private firms are having a devil of a time with their own exports and will spend little or no time encouraging others to provide competition to them.

HIGGINS: I think that business, through its participation in a variety of activities, is doing whatever it reasonably can. Virtually all progressive businesses today participate in international functions of the U.S. Chamber of Commerce, the National Association of Manufacturers, local international trade organizations, and a host of other associations and activities that help to promote trade and the national need for increased trade and export. In addition, there are a number of business-sponsored international trade conferences held around the country each year. There is a major such event taking place in the Southwest this spring; also, our Chicago conference annually attracts at least 1,000 participants. Then, too, District Export Councils, a joint activity between the Department of Commerce and private business, help to develop increased exporting by those not now so engaged throughout the U.S.

In the face of all this, we must realistically recognize that export business is more complicated than the simple domestic sale, and a great preponderance of mid-size and small firms find that they have far from exhausted their marketing possibilities within

The 41st Chicago World Trade Conference will be held at the Continental Plaza Hotel April 5-6. Weil and Higgins are among the speakers at the luncheon/dinner sessions, along with former Agriculture Secretary Earl L. Butz and B. F. Goodrich President O. P. Thomas. At the session on "U.S. Government: Partner, Adversary or Spectator?" the rostrum will be shared by International Harvester President Archie R. McCardell, United Steel Workers President Lloyd D. McBride and Rep. John B. Anderson of Illinois. Other conference subjects are "Can the U.S. Compete in a Trade War?" and "Can Domestic Employment and Foreign Investment Be Harmonized?" (See related story, page 9)

WILLIAM J. McDONOUGH—"Cannot the Administration, which benefits farmers . . . working mothers . . . disadvantaged minorities, . . . also support exports as an important element of our economy?"



the U.S. This can be a difficult "sale" to make on the part of us "export promoters!"

WEIL: It is an American trait—probably a useful one—to be bluntly critical of our institutions. But a survey of 72 foreign companies that set up operations in the U.S. (NOTE: survey taken for Commerce by Arthur D. Little) found them strongly affirmative about the U.S. They said a major reason they came was the favorable climate for business here—more stability, more security, better attitudes toward free enterprise. Perhaps, then, are we overly critical when we look at the business-government relationship?

HIGGINS: Perhaps so, but I'd be extremely surprised if the survey results noted turned out otherwise. Whereas there's no question but that U.S. business and the U.S. economy are currently overregulated by a host of government commissions and organizations centered in Washington, the situation in other countries undoubtedly ranges from as bad to much worse. Moreover, undoubtedly the major element affecting the thinking of a foreign investor today is the simple fact that the U.S. is virtually a two-trillion dollar economy and at least twice the size of any other national market in existence today. That, in itself, within a relatively free market, can't help but be most attractive to any foreign entrepreneur and generate a broadly positive reaction by foreign interests entering our economy. This, coupled with the excessively low value of the dollar today, would present an ideal venture site for any foreign investor—even if some degree of difficulty with government did exist.

McDONOUGH: I might add that one of the great strengths of our business/government relationship —which has caused that relationship to keep both sectors within bounds—is a continual carping of the private sector at government growth. The check on the other side, stopping any overly aggressive activities by the private sector, exists also. It is expressed in community wrath and calls for investigation and explanations.

Now let me ask this question of Mr. Weil: in a trading world where technology is generally available in many trading nations, any benefit provided one nation to its traders and denied by another nation to its traders will lead to imbalance of import-export figures. Thus, our export community must shriek and shout for continued deferral of foreign profits and for what is left of DISC, etc. Cannot the Administration, which benefits farmers in particular areas, working mothers in particular areas, and disadvantaged minorities in some areas, also support exports as an important element of our economy?

HIGGINS: . . . and I have been ready to pose essentially the same question. How can government recommend elimination of the export incentives referred to by Mr. McDonough when increased exports are so desperately needed?

WEIL: I don't think that our exporters can be considered a community of interest in the same sense as farmers, working mothers or disadvantaged minorities. Nonetheless, I do consider it important to encourage exports and to adopt policies that would help businesses engaged in international trade.

My position on DISC and on deferral has been clear. They may not be the best incentives to export but they are incentives to some degree, and I have argued that it is not the right time to remove them. However, as you know, the President, in reviewing our entire tax policy from a perspective much broader than my own, concluded that these measures do not have a clear enough impact on encouragement of exports to warrant their continuation. I have long said that I would support whatever decision the President made—and I do. I'd like to emphasize that our overall policy toward exports is under review. A broad array of measures to encourage exporting is being considered, and these could include new or revised tax incentives.

HIGGINS: I'd like to close with another policy question for Mr. Weil. It is understood that other means have now been developed to replace the defunct Council for International Economic Policy in the White House, but what is *effectively* being done to coordinate Commerce, State, Treasury and other Administration agencies involved in international trade, so that the government can speak more clearly with one voice?

WEIL: Coordination of the Administration's position does not require a formal White House base. In fact there *is* coordination now, though of a different sort. I've been told by people who have been in Washington longer than I have that we have better coordination now than in the past. I think that Commerce and the other agencies involved in international economic policy have been working well together, especially at the Assistant Secretary level. One example has been our recent negotiations with Japan about increasing market access for our products there. Under the leadership of Bob Strauss (White House Office of the Special Trade Representative) we have assembled an effective Assistant Secretaries Group that includes Commerce, State, Treasury, Labor and Agriculture.

"Commerce and the other agencies involved in international economic policy have been working well together."

MISSION GREETED IN WASHINGTON—*Official Washington, including President Carter, welcomed Yoshizo Ikeda and the Japanese buying mission. Here Ikeda is telling Secretary of Commerce Juanita M. Kreps of the progress his group had made in discussions with U.S. exporters of machinery, power generation equipment, fashions, housewares and food. Ikeda met with the President at the White House on March 13.*

Japanese $1.94 Billion Visit Leads To Follow-up Plans

A major trade mission will be dispatched to sell U.S. goods to Japan this fall, following up on contacts made during the recently concluded visit of a 91-member Japanese import promotion mission.

The Japanese mission left for home on March 18, after visiting 17 cities and more than 2,000 businesses, and transacting what mission leaders said would amount to $1.94 billion in purchases from U.S. companies.

After meeting with President Carter at the White House March 13, the mission leader, Yoshizo Ikeda, president of Mitsui & Co., Ltd., said that contracts which had already been reached or would be concluded by September included: $890 million for raw materials, $770 million for industrial products, $280 million in processed foods and $50 million in consumer goods.

Assistant Secretary of Commerce Frank A. Weil, whose Industry and Trade Administration coordinated the Japanese schedule, estimated that about a third of the $1.94 billion constituted new business that would not have been transacted in the absence of the mission.

In the area of consumer goods, a fashion subgroup was interested primarily in medium to high-priced women's apparel, according to Commerce Department escort officers. They purchased coordinated separates, young junior styles and showed interest in lesser known designer dresses. A subgroup shopping for housewares was pleased with the willingness of U.S. furniture manufacturers to scale down the size of their products to fit smaller Japanese homes. The group also placed orders with manufacturers of hardware, automobile accessories, curtains and draperies, sporting goods, toys, novelty items, paints and other products. A subgroup seeking processed food, wines and spirits showed interest in a wide variety of products.

Two subgroups interested in machinery and in power equipment also toured the country, at some stops attracting potential suppliers from hundreds of miles away. The machinery group's visit to Newark, for example, drew potential exporters from as far as Pittsburgh and Atlanta, to talk about such items of interest to the Japanese as advanced medical equipment, machine tools, computers and peripheral equipment, food processing and packaging machinery and material handling equipment.

Potential machinery suppliers were told they should follow a variety of "must" practices in exporting to Japan:

- Distribution arrangements must be permanent; "one shot" deals are not sought.
- Product specifications should be adapted to the Japanese market.
- Manufacturers should quote firm prices.
- Delivery promises should be strictly honored; partial shipments should be made only by mutual agreement.
- After-sale services are important.
- American business executives contacted by the Japanese in the course of the mission should plan prompt follow-up visits to Japan.

The mission was not without its problems.

The fashion buyers, for example, found

SHOWBOAT OFFERED TO U.S. EXPORTERS—*An offer to permit U.S. firms to use the industrial fair ship Shin Sakura Maru during 1979 was made at the White House by Yoshizo Ikeda of the Japanese buying mission. The vessel has 30,600 square feet of exhibition space. Along with a predecessor, it has visited more than 100 countries.*

that in most cities—with the notable exception of Dallas—apparel suppliers were not ready to show them the fall lines of clothing they wanted to see. In San Francisco, the Japanese found they were too heavily scheduled. And in many cases, the foreign buyers simply ran up against U.S. suppliers' unfamiliarity with the techniques of exporting—an inability, for example, to quote prices f.o.b. San Francisco.

Mission only a beginning

As the mission concluded in Los Angeles, both U.S. and Japanese leaders emphasized that it had only been a partial step in expanding U.S. exports to Japan. "This is only a beginning," said Ikeda. "There must be continuous follow-up on both sides of the Pacific, if the potential is to be converted into a sustained expansion of American exports to Japan."

In both the processed foods and the housewares groups, Japanese spokesmen said that follow-up buying missions would be sent to this country soon to pursue the contacts made during the March visit. The machinery and power equipment subgroups expected to notify U.S. companies about specific prospects in the Japanese market.

On the U.S. side, the Southern Furniture Manufacturers Association and the National Machine Tool Builders Association announced they were organizing selling missions to send to Japan to follow up on contacts made during the Japanese visit.

The major export promotion mission to Japan is tentatively scheduled to coincide with the October opening of the World Import Mart in Tokyo. It will be headed by a spokesman group of senior government and industry leaders, and will include several groups specializing in industrial and consumer products deemed to offer the best sales prospects in the Japanese market.

Strauss Will Address Standards Institute Meeting

Ambassador Robert S. Strauss, the President's Special Trade Representative, will be among the speakers at the 60th anniversary Evaluation and Forecast meeting of the American National Standards Institute in Washington March 29-30. Jordan J. Baruch, Assistant Secretary of Commerce for Science and Technology, will be another featured speaker.

"A Standards Policy for the Nation" will be discussed by a panel that includes several members of the National Standards Policy Advisory Committee that developed a recommended policy and released it for public comment and review last month.

NEW GUIDELINES SET UP TO CURB COMPETITION IN EXPORT CREDIT SUPPORT

Official export credit agencies of the major trading nations will operate under new guidelines, effective April 1, to "avert wasteful . . . export credit competition," in the words of an international agreement signed in Paris in February. Among the U.S. agencies affected is the Export-Import Bank.

The agreement, entitled the Arrangement on Officially Supported Export Credits, is a voluntary understanding to be submitted to the Commission of the European Community and 20 participant nations. All are members of the Organization for Economic Cooperation and Development (OECD).

The new guidelines include several improvements over those that have been in effect since July, 1976. Minimum interest rates, minimum cash payments, and maximum maturity terms are spelled out in greater detail so as to close existing loopholes. A participating country that intends to depart from the guidelines must notify the others in time so that they may in turn offer matching terms. The various agencies agree to provide more precise and timely information on proposed export credit transactions.

The features of the Arrangement, in summary:

1) Prepayment of at least 15 percent of the export contract value is required.

2) Repayment terms should not exceed 8½ years for relatively rich countries and intermediate countries, and 10 years for relatively poor countries. The repayment of official export credits should normally be in equal and regular installments not less frequently than every six months.

3) Minimum interest rates are set forth as follows: for the relatively rich countries, 7.75 percent for 2 to 5 year loans, 8 percent for 5 to 8½ year loans; for intermediate countries, 7.25 percent for 2 to 5 year loans; 7.75 percent for 5 to 8½ year loans; and for relatively poor countries, 7.25 percent for 2 to 5 year loans, 7.5 percent for 5 to 8½ year loans, and 7.5 percent for 8½ to 10 year loans.

4) Excluded from coverage under the Arrangement are military equipment, agricultural commodities, aircraft, and nuclear power plants.

5) The financing of local costs connected with an export project by official export credit agencies will be minimized.

6) New procedural reporting requirements are set forth for non-conforming prior credit commitments, derogations from the terms of the Arrangement and matching offers. These procedures will help avoid counterproductive competition in the setting of export credit terms.

7) The participating countries agreed they will further explore credits on ships. In the meantime, if a participant intends to support more favorable terms than are permitted by the Arrangement, it will notify other participants of those terms.

8) Provision is made for wider national participation in the Arrangement and an annual review of its functioning.

9) Any participant may withdraw from the Arrangement with 60 days prior notice.

Foreign-Trade Zones Unit Approves Facilities For Olivetti And RCA

The Department of Commerce has announced the issuance of orders by the Foreign-Trade Zones Board for the establishment of a special-purpose subzone at the typewriter assembly plant of the Olivetti Corporation of America in Harrisburg, Pa., and a temporary foreign-trade zone site for Foreign-Trade Zone No. 24, at the Wilkes-Barre/Scranton Customs Port of Entry. Both projects are sponsored by the Eastern Distribution Center, Inc., grantee of Foreign-Trade Zone No. 24.

The special-purpose subzone is located within the existing Olivetti typewriter assembly plant in Harrisburg. It will allow the firm to correct a technical Customs problem without the need for moving its assembly operation overseas. For this reason the project was endorsed by Pennsylvania State officials.

The temporary foreign-trade zone is located in an existing warehouse facility in Wilkes-Barre, near the recently approved permanent zone site. The primary occupant will be the Solid State Division of the RCA Corp. for a period of one year, while its distribution center facility in the permanent zone is being constructed.

Foreign-trade zones and special-purpose subzones are areas under U.S. Customs supervision into which foreign merchandise may be brought without the usual immediate formal Customs entry. The goods may be exhibited, stored, assembled, or used in manufacture within the zone, and duties need not be paid unless and until the goods or their end products enter U.S. Customs territory from the zone. Reexports emerge duty-free. Domestic goods moved into a zone for export are considered exported upon entering the zone for purposes of excise tax rebates and Customs drawback procedures.

Foreign-trade zone grants are issued under the Foreign-Trade Zones Act of 1934 which empowers the Board—consisting of the Secretary of Commerce, as Chairman, and the Secretaries of the Treasury and Army—to authorize qualified public and private corporations to establish zones in or near U.S. Customs ports of entry.

IMPORTANT CHANGES ARE NOW AFFECTING NATION'S FOREIGN TRADE STATISTICS

Readers of *Commerce America* who study the nation's trade flows should be aware that a new reporting system has been introduced that affects the values for both imports and exports.

The changes in classification, coverage, and timing—the first major modifications since the mid-1960's—are designed to provide greater consistency between exports and imports and greater comparability between the statistics on goods the United States buys and sells and those of other countries.

Imports are now based on the actual date of arrival in this country, an important change particularly for imports of oil. Also, nonmonetary gold movements, which in the past have been reported separately, are now included in the trade totals.

Further, a completely new export classification schedule has been developed. It places products in categories that can be matched more closely with import classifications. The recently-released U.S. foreign trade statistics issued for January 1978 by the Census Bureau included values for exports and imports on the new basis.

Useful Reference Tables

The accompanying tables on U.S. exports and imports are presented as a handy reference, by commodity grouping. The 1977 U.S. foreign trade picture was analyzed in general in the Feb. 13 issue of Commerce America; *and by geographical area, March 13.*

Using the new basis to look back at 1977, it can be seen that the net effect of the changes on last year's totals was quite small. The trade deficit valued on the transaction basis, f.a.s. (free alongside ship, i.e., delivered to the port but not loaded on the ship), was $26.6 billion rather than the $26.7 billion previously reported. Exports totaled $121.1 billion in 1977 and imports were $147.7 billion, compared to $120.1 billion and $146.8 billion on the old basis. The value change in exports was due to the inclusion of nonmonetary gold valued at $1,043 million. Imports increased by a total of $879 million, $674 million because of the addition of gold and $205 million because of the shift in the timing for recording documents.

The gold now included in the trade figures consists of ore, scrap, and base or nonmonetary refined bullion, and represents physical movements of these items in and out of the United States. Nonmonetary gold was included in the U.S. trade totals as a result of a United Nations' recommendation to all countries in the recent second revision of the Standard International Trade Classification (SITC).

U.S. Exports Of Major Commodities

Millions of dollars, f.a.s. values

Commodity	1976	1977	Change from 1976 to 1977
EXPORTS, total	**115,150**	**121,144**	**+5,994**
Nonagricultural products, total	**91,711**	**95,929**	**+4,218**
Machinery, total	32,031	33,343	+1,312
Construction, excavating, and mining machinery	6,239	5,602	−637
Power-generating machinery	3,580	3,537	−43
Computers and parts	2,588	3,264	+676
Agricultural machinery and parts	1,635	1,584	−51
Heating and cooling machinery	1,641	1,815	+174
Electric power machinery and switchgear	2,139	2,301	+162
Telecommunications apparatus	1,997	2,124	+127
Tubes, transistors, and semiconductors	1,671	1,750	+79
Transport equipment, total	16,203	16,171	−32
Road motor vehicles and parts	9,950	10,690	+740
To Canada	6,413	7,143	+730
To other countries	3,537	3,547	+10
Civilian aircraft and parts	5,134	4,680	−454
Chemicals, total	9,959	10,827	+868
Organic chemicals	2,928	3,214	+286
Inorganic chemicals	1,010	1,046	+36
Plastic materials	1,672	1,733	+61
Medicinals and pharmaceuticals	997	1,081	+84
Other nonagricultural products, total	33,518	35,588	+2,070
Coal	2,910	2,655	−255
Iron and steel	1,833	1,608	−225
Textiles, except clothing	1,971	1,959	−12
Paper and manufactures	1,624	1,517	−107
Scientific instruments	1,931	2,226	+295
Special category (military goods)	2,600	3,208	+608
Agricultural products, total	**23,282**	**24,234**	**+952**
Wheat	3,879	2,700	−1,179
Corn	5,224	4,139	−1,085
Soybeans	3,315	4,393	+1,078
Fruits and vegetables	1,340	1,362	+22
Animal feed	1,358	1,572	+214

Note: Totals have been revised to include nonmonetary gold in order to conform with 1978 changes in trade compilations. Data are not yet available to adjust commodity values.

Now on same timing basis

The record of U.S. imports as of the date of arrival in the country rather than as of the date of filing import documents with Customs, placed imports on the same timing basis as exports. This change will improve the usefulness of the import data in analyzing the impact of specific events such as dock strikes or weather conditions on trade flows. The shift in timing had a relatively minor effect on the annual 1977 import total, but sizable revisions had to be made to the monthly figures.

Also incorporated in the foreign trade statistics beginning with January 1978 were changes in the commodity classifications of exports and imports. Their introduction required no change in the 1977 totals, but caused shifts which affected comparability with earlier years for many commodities and commodity groups.

Detailed exports are now reported in a completely revised commodity classification (Schedule B) similar to the Tariff Schedules of the United States, Annotated (TSUSA) used for imports, which has been expanded. Thus, export and import commodity data will be more consistent, and efforts to relate foreign trade flows to domestic production figures will be facilitated.

In addition, exports were rearranged in a new Schedule E commodity classification and imports in a revised Schedule A, both of which follow closely the recent second revision of the SITC of the United Nations. In this arrangement, U.S. trade data can be compared with those of most other nations.

U.S. Imports Of Major Commodities

Millions of dollars, f.a.s. values

Commodity	1976	1977	Change from 1976 to 1977
IMPORTS, total	**121,009**	**147,696**	**+26,687**
Industrial supplies and materials, total	60,904	75,619	+14,715
Crude petroleum	25,480	33,583	+8,103
Refined products	6,303	7,800	+1,497
Natural gas	1,612	1,942	+330
Ores and concentrates	982	957	−25
Iron and steel	4,379	6,002	+1,623
Nonferrous metals	3,501	3,938	+437
Industrial and agricultural chemicals	2,579	3,057	+478
Textiles other than clothing	1,635	1,772	+137
Newsprint	1,742	1,872	+130
Lumber	1,493	2,153	+660
Consumer goods, total	32,503	38,465	+5,962
New automobiles			
From Canada	3,477	3,795	+318
From other countries	5,451	6,831	+1,380
Automotive parts			
From Canada	3,008	3,501	+493
From other countries	2,138	1,891	−247
Clothing	3,634	4,154	+520
Footwear	1,686	1,848	+162
Gem diamonds	1,018	1,453	+435
Radios, TV sets, and sound recorders	3,242	4,183	+941
Toys, games, and sporting goods	891	1,154	+263
Capital goods, total	13,008	15,981	+2,973
Machinery	10,540	12,765	+2,225
Electrical apparatus and components	3,767	4,560	+793
Agricultural machinery	1,056	1,179	+123
Trucks and buses	2,062	2,627	+565
Civilian aircraft and parts	406	589	+183
Food, feeds, and beverages, total	11,548	13,912	+2,364
Coffee	2,632	3,861	+1,229
Fish	1,840	2,039	+199
Meat	1,447	1,273	−174
Fruits and vegetables	1,186	1,551	+365
Sugar	1,154	1,079	−75
Other imports	2,717	2,840	+123

Note: Totals have been revised to include nonmonetary gold and, in 1977 only, to shift from the date of entry to the date of importation basis in order to conform to 1978 changes in trade compilations. Data are not yet available to adjust commodity values.

Chicago Trade Leaders Expect World Business Levels To Stay Unchanged

Economic conditions will remain relatively unchanged between 1977 and 1978, in both the United States and worldwide, according to Illinois business leaders connected with this month's Chicago World Trade Conference.

In a pre-conference survey, the executives responded to questions dealing with general economic conditions as well as U.S. exports and total world trade.

Of the respondents, 58.3 percent indicated that the 1978 U.S. economic picture will be the same as 1977, while 29.2 percent felt conditions would improve. Another 12.5 percent felt conditions would be worse in 1978 over 1977.

Worldwide, 50 percent indicated that economic conditions would remain the same, while 29.2 percent saw some improvement in 1978. Another 20.8 percent foresaw worsened economic conditions worldwide.

While most respondents indicated a relatively unchanged 1978 insofar as general economic conditions were concerned, 75 percent anticipate that U.S. exports will increase in 1978 over 1977. The other 25 percent were evenly split between unchanged exports and decreased exports.

In response to a question dealing with prospects for total world trade in 1978, 66.7 percent thought total world trade would be greater in 1978 over 1977; 25 percent indicated "no change"; and 8.3 percent saw a decline in total world trade.

Renewed and growing protectionist sentiment in all segments of the U.S. populace—labor, business, government, the general public—ranks as the number one challenge or problem facing international trade leaders in 1978, according to a preponderance of those responding to the survey. Increased economic nationalism, closely tied to a climate of protectionism, ranked as the number two challenge.

Other major problems included the growing U.S. balance of trade deficit, worldwide inflation and monetary uncertainty and fluctuations in the U.S. dollar. The energy crisis, long considered a major challenge worldwide, ranked number six.

In response to a question dealing with areas of the world where the greatest opportunities are for international trade expansion in 1978, the Middle East overwhelmingly ranked number one. Other major areas for trade and investment growth are Japan, Western Europe, Latin America and Southeast Asia Pacific.

Japan was seen as the country of most opportunity for U.S. business in 1978, followed closely by Iran and Nigeria, which tied for second place. Other countries cited a number of times by respondents included Brazil, Saudi Arabia, Korea, United Kingdom and Egypt.

The survey, which previews the 1978 Chicago World Trade Conference, emphasizes the importance of the conference theme: "Trade and Jobs—Challenges to U.S. Competitiveness."

Conference program chairman Gerard M. Keeley emphasized that the question "should not be can the U.S. compete in a trade war, but rather how much a trade war will cost the U.S. consumer and laborer in terms of higher prices, lost jobs and reduced selection of goods if a trade war occurs."

Keeley, who is senior vice president of Continental Illinois National Bank & Trust Company of Chicago, indicated that the current large U.S. trade deficit is primarily due to the substantial increase in oil imports and a stronger growth of the U.S. economy compared with foreign economies. "It is not directly a function of the deterioration in U.S. price competitiveness," he said, adding "The imposition of trade restrictions would only precipitate an even further deterioration in the growth of world trade and U.S. exports. There are just as many or more jobs threatened by a loss of U.S. exports as there are by a rise in imports of foreign produced products."

William O. Beers, the conference chairman, further emphasized that in this time of rising protectionist sentiment, "We must remember that narrow, short-term gains by a few do not justify long-term penalties for the majority among the community of nations.

"As a carrier of technology, the international company is man's best hope for closing the gap between the very rich and the very poor societies of the world, though the new ideas which are involved in this process may not always be welcomed at first," he said.

Beers is chairman of the board and chief executive officer of Kraft, Inc.

Official Trade Briefs

This article is another in a series of reports that describes actions affecting world trade, as compiled by the Import Policy Division of the International Economic Policy and Research Bureau's Office of International Trade Policy.

CONGRESS

Trade Subcommittee Votes to Override the President's Decision on Industrial Fasteners: The Subcommittee on Trade of the House Ways and Means Committee voted to report favorably a concurrent resolution disapproving the President's decision not to provide the import relief to the domestic **industrial fastener industry** recommended by the U.S. International Trade Commission (ITC). According to the "escape clause" provisions of the Trade Act of 1974, the Congress may override such a Presidential determination which goes against a majority ITC recommendation by concurrent resolution. This determination followed a public hearing held by the Subcommittee on the issue.

Other Committee Action—House: The Subcommittee on Trade also met for markup of H.R. 8442, to improve the operation of the **adjustment assistance** programs for workers, firms, and communities under the Trade Act of 1974.

In addition, the Subcommittee on Foreign Operations of the House Committee on Appropriations held a hearing on U.S. subsidy of foreign **steel** producers through international financial institutions.

The Subcommittee on Merchant Marine of the House Committee on Merchant Marine and Fisheries held a hearing on H.R. 9998, to provide for the regulation of rates or charges by certain **state-owned carriers** in the foreign commerce of the United States.

Also the House Committee on Interstate and Foreign Commerce's Subcommittee on Consumer Protection and Finance held hearings on S. 1531, the Toxic Substances Control Act Amendments of 1977.

The Subcommittee on Commerce, Consumer, and Monetary Affairs of the Committee on Government Operations met and approved for full committee action a report entitled "Effectiveness of Export Promotion Policies and Practices of the Departments of Commerce and State."

Also, the Committee on International Relations Subcommittee on International Economic Policy and Trade met and unanimously approved for full committee action H.R. 9486, technical amendments, to authorize a contribution by the United States to the **Tin** Buffer Stock established under the Fifth International Tin Agreement.

Committee Action—Senate: The Senate Finance Committee held hearings on proposed amendments to the **Meat Import Quota Act**, one effect of which would be to reduce the amount of such imports.

Hearings were also held by the Senate Committee on Government Affairs on S. 1990, to establish a cabinet level **Department of International Trade and Investment.**

The Subcommittee on International Finance of the Senate Committee on Banking, Housing, and Urban Affairs held oversight hearings on U.S. **export policy** and on trends in **export markets.** Testimony was presented by Frank Weil, Assistant Secretary of Commerce for Industry and Trade, and other public and private witnesses.

Bills Passed—Senate: The Senate passed H.R. 9179 to extend until Sept. 30, 1981, the basic operating authority of the **Overseas Private Investment Corporation (OPIC),** after striking all after the enacting clause and inserting in lieu thereof the text of the Senate companion bill, S. 1771, as passed by the Senate. The Senate requested a conference with the House on the bill and appointed conferees.

New Legislation: In the first and second sessions of the 95th Congress 317 trade and related bills have been introduced. Those not previously reported in this column include: H.R. 10926, to amend the **Buy American Act** to require that certain Federal contracts be made with the lowest domestic bidder; H.R. 10927, H.R. 10977, H.R. 10978, and H.R. 11025 relating to imported **meat and dairy products;** H.R. 11005, to provide authorization for appropriations for the U.S. **International Trade Commission** for fiscal year 1979; H.R. 11101, to authorize an intermediate term Commodity Credit Corporation program for the purpose of stimulating and maximizing commercial export sales of U.S. **agricultural commodities** by improving the terms, conditions, and availability of credit for the export of such commodities; H.R. 11102, a bill to strengthen the economy of the United States and the income of U.S. farmers through increased export sales of U.S. **farm products.**

Also, H.R. 11021, to provide for the duty-free entry of **live worms,** if a product of Canada; H.R. 11108, to amend the **Buy American Act** to increase the incentives for the purchase of domestic articles, materials, and supplies with regard to Federal and federally funded procurements; H.R. 11294, to amend the Commodity Credit Corporation Charter Act to provide the highest possible prices in foreign markets for American **agricultural** producers and to provide price and supply stability in domestic markets; H.R. 11322 and H.R. 11323, to prohibit the importation or exportation of and certain other transactions involving **elephant products;** H.R. 11337, to impose quotas on the importation of **beef,** including processed beef and beef quantities in the form of **live cattle,** when the domestic market price of cattle is less than 110 percent of parity and to impose customs duties on such articles when the domestic market price of cattle is less than 80 percent of parity.

Also, H.R. 11349 and H.R. 11441, to protect American producers of **fruits, vegetables, and other crops** from unfair competition relating to the use of pesticides; H.R. 11375, to amend the **Export Trade Act** to encourage increased utilization of the act, to expand exemptions provided under the act to clarify U.S. Government policy with respect to the administration of the act, and to assist American exporters in international trade competition; H. Con. Res. 483, H. Con. Res. 488, H.Con.Res. 497, H.Con.Res. 503, to disapprove the determination of the President denying import relief under the Trade Act of 1974 to the U.S. industry manufacturing **metal fasteners;** H.Con.Res. 485, to disapprove the determination of the President denying import relief under the Trade Act of 1974 to the U.S. industry manufacturing **bolts, nuts** and **large screws** of iron and steel.

Also, H.Con.Res. 495, that it is the sense of the Congress that the President and the Secretary of the Treasury apply trade laws regarding countervailing duties and special dumping duties to the importation of **foreign steel;** H.Con.Res. 505, expressing the sense of the Congress that **coffee** containers available for retail distribution should be labeled to specify the percentage of coffee which has been purchased from Uganda; H.Res. 1059, to assure U.S. farmers equality with regard to **agricultural** exports; H.Res. 1060, expressing the sense of the House that the President should exercise his authority to suspend the ban on the importation of **rhodesian chrome** and **ferro-chrome.**

Also, S. 2591, to provide parity prices to producers for their agricultural commodities: S. 2624, to impose quotas on the importation of **beef** and to impose labeling requirements on imported beef in order to assure an adequate supply of quality beef at stable prices for the American consumer; S. 2643, to amend the Tariff Schedules of the United States to provide that certain **wood strips** be admitted free of duty; and S. 2713, to suspend for 18 months the duty on imported **insulation.**

SPECIAL TRADE REPRESENTATIVE

Customs Valuation: Ambassador Robert S. Strauss, the President's Special Trade Representative, has submitted to the ITC a request for an analysis and report regarding the possible effects on U.S. indus-

try of adopting international rules on customs valuation which have been proposed in the Multilateral Trade Negotiations (MTN) by one of the major U.S. trading partners. The request asks the ITC to analyze the proposed rules in general terms, and specifically to assess the possible impact on U.S. industry of eliminating the American Selling Price (ASP) and final list systems of valuation.

COMMERCE DEPARTMENT

Trade Adjustment Assistance for Firms: The Commerce Department has recently certified 12 firms as eligible to apply for trade adjustment assistance. The firms produce **mittens and slippers, footwear, apparel, handbags, smoking pipes** and **printed cloth.** During this reporting period, no firms investigated were denied certification of eligibility.

TREASURY DEPARTMENT

Antidumping Cases: Pursuant to section 201 (c) of the Antidumping Act of 1921, the Treasury Department has referred to the U.S. International Trade Commission (ITC) an antidumping case involving certain **offset printing paper** from Canada. Section 201 (c) authorizes the Secretary of the Treasury, following initiation of an antidumping investigation, to request from the ITC preliminary advice regarding injury to a domestic industry. If the ITC determines that there is "no reasonable indication" of injury to a domestic industry from the alleged sales at less-than-fair value, the Treasury Department will terminate its investigation.

In other antidumping action, Treasury has initiated new investigations concerning three products. The cases concern alleged injurious sales at less-than-fair value of imports of **silicon metal** from Canada, **cumene** from Italy and the Netherlands, and **bicycle tires and tubes** from the Republic of China and the Republic of Korea. Concerning **bicycle tires and tubes,** a countervailing duty investigation also was initiated at the same time. This action is the first simultaneous initiation of antidumping and countervailing duty investigations.

Countervailing Duty Cases: The Treasury Department has issued a preliminary affirmative determination that bounties or grants are being paid on exports of **iron and steel chains and parts thereof,** from Japan.

In addition, a new countervailing duty case has been initiated regarding **bicycle tires and tubes** from the Republic of Korea and the Republic of China (See **Antidumping Cases** section).

Reports: The Customs Service has issued reports containing the data collected on imports of **nonrubber footwear** and **color television receivers and subassemblies** pursuant to Presidential Proclamations mandating monitoring of such imports. The monitoring was required in order to assure the effectiveness of import relief measures imposed for those products following "escape clause" investigations indicating that increasing imports were causing serious injury to the relevant domestic industries.

LABOR DEPARTMENT

Workers' Trade Adjustment Assistance Certifications: The Labor Department, having found that approximately 26,750 workers have been or may become unemployed as a result of increased imports, has certified these workers as eligible to apply for trade adjustment assistance. They are or were employed at firms producing the following products: **copper, steel products, apparel, seamless roll forged pipe and tubing, footwear, handbags, fixed composition resistors, bars and tin mill products, railroad workers, vinyl luggage and tote bags, monosodium glutamate, CB radios and accessories, holloware, color television sets, iron ore pellets, aperture masks, silicon metal, ferrosilicon, transmission towers, rubber tape and friction tape, hats, nonconventional watches, watch crystals, smoke detector horns, carbon composition resistors, fabric, castings and loom parts, gloves,** and **aluminum die castings.**

Denials: The Department denied petitions for trade adjustment assistance for over 4,740 workers engaged in the manufacture of the following goods or processing of the following services: **apparel, ingot molds, transportation of freight, microslides, coverglass, bloodtesting equipment, footwear, flock printing, pig iron, fabric, headwear, shoe supplies, eyelet and hook setting machinery and spare parts, shoe shanks, processing, shipping and distribution of stainless steel and aluminum, recovery of scrap metal from slab, repeaters and equalizers for submarine cables,** and **glass envelopes for picture tubes.**

Also, **pole line hardware, heat exchangers, iron ore pellets, lamb, beef, retailing of men's clothing, cement copper, copper, steel products, steel and fiber shoe shanks, belts, cast type and composition, disperse dyes, wood slats for pencils, yarn, metals, specialty nails, sea scallops, electronic musical instruments, foundry grade metal scrap, cans, refractories, transport service, inspecting, pre-shrinking and heating-setting of cloth, greige goods (broadwoven fabric),** and **structural steel.**

Investigations: Of the investigations recently initiated by the Department to determine whether workers at various plants are eligible to apply for adjustment assistance, the products most frequently involved are: **steel products and apparel.**

INTERNATIONAL TRADE COMMISSION

Section 337-Unfair Trade Practices: The U.S. International Trade Commission (ITC) has issued an order that certain respondent companies engaged in the manufacture and/or importation and exportation of **stainless steel pipe and tube** cease and desist from engaging in certain pricing practices found by the ITC to be unfair under section 337 of the Tariff Act of 1930. The order followed an investigation initiated pursuant to a petition filed by the U.S. domestic industry, which also initiated a case under the U.S. antidumping law covering generally the same product category. The President has a 60-day period from the date the ITC order was issued (Feb. 22) within which he may either veto the order, approve it, or do neither. The order becomes final and effective upon Presidential approval or upon the expiration of the 60-day period with no Presidential action.

In other section 337 action, the ITC has initiated two new investigations into alleged unfair practices in the importation and sale of **alternating pressure pads** and certain **combination locks.** The former case involves allegations of patent infringement and unfair use of promotional and advertising material; the latter involves claims of patent infringement.

Reports: The ITC has released a report on the accuracy of **import data.** The report describes the sampling technique used; analyzes a representative sample of import documents; details the causes and extent of error throughout the statistical collection and publication process; and draws conclusions with respect to the program. The report may be obtained from the Office of the Secretary, USITC, 701 E St., NW., Washington, D.C. 20436.

INTERNATIONAL

Foreign Antidumping Actions: The Canadian Government has announced final determinations in two antidumping actions involving U.S. products. Following findings of less-than-fair value sales and material injury, the Anti-Dumping Tribunal has made final dumping determinations regarding **slate bed billiards, pool,** and **snooker tables** and **textured or bulked polyester filament yarn of 200 denier and below.** A negative finding was issued regarding the same type of yarns of over 200 denier, since no material injury was found to result from the less-than-fair value sales of that product.

The Australian Government has terminated antidumping proceedings regarding imports of **sodium tripolyphosphate, sodium acid pyrophosphate,** and **sodium hexametaphosphate.** The termination resulted from price assurances given by the U.S. producer.

Foreign Safeguard Actions: The governments of New Zealand and Portugal have both announced termination of import deposit schemes. Both schemes had been in effect since 1976.

JOTTING IT DOWN—*Mission members John Cole (writing) of DuPont and Ramesh Shah (left) of Medico Electronic take notes and explain business details to potential customers during medical equipment mission visit in Shiraz, Iran.*

HEALTH PLANS IN IRAN, ISRAEL SPUR EQUIPMENT NEEDS, MISSION FINDS

A massive health care program is being developed by the Iranian Ministry of Health and Welfare. There is a more modest but growing market in Israel for advanced medical equipment. These circumstances recently attracted a U.S. trade mission to the two countries.

The U.S. market share of medical equipment in Iran is 23 percent. In Israel it is 33 percent. And though U.S. equipment is highly regarded in both countries, U.S. suppliers are faced with increasingly vigorous competition from the Europeans and Japanese. The mission members found that a good agent who will carry an adequate supply of spare parts and provide timely delivery and service, and the active participation, including frequent visits, by the company's home office representatives are essential to turn back their competitors.

As a result of the mission, four agents were appointed and preliminary negotiations began with 10 more. All five companies expect to be well represented in both markets within the next 12 months and to sell over $700,000 of equipment, including pacemakers, tabletop blood analyzers, centrifuges, disposables, and x-ray and laboratory equipment.

Massive program in Iran

The vast potential market for the whole range of medical equipment provided by the Ministry's health care program was outlined for the mission by Deputy Minister Asad Aram in his offices in Tehran, reports Mission Director Cherie Loustaunau of the Commerce Department. Over the next several years, the Ministry plans to build 24 provincial hospitals with 400 to 600 beds each. The preliminary design has been prepared for the hospitals for the 12 major provinces. According to Dr. Aram, construction will begin on three during the year and he expects all 12 to be completed within the next three years. The remaining 12 hospitals will go into planning in 1979.

Each of the provincial hospitals will be affiliated with several 200-bed regional hospitals to be constructed by the Iranian Red Lion and Sun Society (Iranian Red Cross). These in turn will service outpatient clinics extending into the remotest parts of Iran in an effort to bring adequate health care to everyone in the country. Many of the clinics are already in place or under construction. Plans call for 600 more to be built during the coming year.

In addition, the mission members found a potentially profitable market in the Pahlavi University Medical Center in Shiraz. Several of the five hospitals connected with the University have expansion planned or under way that will add 350 to 400 beds to their current capacity.

Pahlavi University was established as an English-speaking center of learning and many of the doctors and administrators of the medical center hospitals have been trained in the United States. They therefore have a natural predilection for U.S. equipment, which tends to be passed on to the Iranian medical students in training at the Center. As in the rest of the Iranian medical community, however, European and Japanese manufacturers are aggressively and often successfully competing for a larger share of the market by offering faster deliveries, more flexible pricing policies, and, in some cases, better after-sales service.

Iranian Government institutions, including the University, prefer to import their current requirements on their own account to take advantage of duty-free privileges. However, they rely on the manufacturer's agent to maintain equipment and supply spare parts, Loustaunau points out. Furthermore, an aggressive agent is needed to maintain contact with the small but growing private health care industry in Iran and to keep on top of the Ministry of Health's tenders for equipment and furnishings for its new hospitals. The Ministry is expected to request bids to equip each of its hospitals only from companies that are able to provide the entire package, including installation and service. Agents of small companies must be able to track the bidders on these tenders to get their clients' products into the equipment package and to provide the backup service after the equipment has been installed.

The Pahlavi University Medical Center and the Director of Purchasing for the Ministry of Health have requested that U.S. companies send current catalogs with up-to-date price lists to facilitate purchases. Catalogs should be sent to Mr. Alireza Mahallati, Assistant Director, Hafez Hospital, Pahlavi University, Shiraz, Iran; and to Dr. Javidi, Director of Central Purchasing for the Ministry of Health and Welfare, National Pharmaceutical Company, Ltd., 32 Kennedy Ave., Corner of Yazdgerd St., Tehran, Iran.

Growing market in Israel

Though smaller than the Iranian market, the Israeli domestic market for medical equipment is expected to rise to $24 million by 1980, of which $21 million will be imported. The mission also found, during visits to Israeli medical facilities, that the quality of the country's health care and the state of the art of medical research and equipment manufacturing are among the highest in the world. The members were given tours of the Kaplan Hospital, the Weizmann Institute of Science, and several private companies manufacturing various types of sophisticated electronic medical equipment.

Kaplan Hospital is a general hospital owned by the Kupat Holim, the Health Insurance Organization of the Israeli General Federation of Labor. According

ON-THE-SPOT EXCHANGE — *Mission Director Cherie Loustaunau answers commercial query posed by doctor on staff of Nemazee Hospital in Shiraz.*

to the Assistant Director, Kaplan was recently expanded from 250 to 520 beds and serves 250,000 people with almost the whole range of medical care. A nursing school is nearing completion and plans for the near future include expanding laboratory facilities and construction of a premature newborn unit to serve regional needs.

Kaplan is one of 15 hospitals owned and operated by the Kupat Holim, which provides 75 percent of Israel's health care. Six of the hospitals, in addition to Kaplan, have expansion programs planned or under way. Virtually all of the remaining modern hospitals in Israel are run by the Ministry of Health or are Government-supported. The Ministry is embarked on an expansion program that includes completion of six new hospitals, one of which is Tel Giborim, a 650-bed hospital to be operational by the end of 1979. The Ministry is expected to begin purchasing equipment for Tel Giborim in the near future.

Several Israeli institutions, including the Government, the Weizmann Institute, the Kupat Holim, and the Hadassah and Shaare Tzedek Hospitals, do much of their purchasing through offices in the United States. However, according to purchasing officials of Shaare Tzedek and the Ministry of Health, the Israelis, like the Iranians, want to purchase from companies which have local distributors who can assure them of maintenance and spare parts. In Israel, U.S. companies, in general, have a good reputation for providing quality products and service to their customers, but they are facing increased competition from the Israelis themselves and from third country manufacturers, particularly those in the Common Market whose products can enter Israel duty free, Loustaunau explains.

Providing high quality products, short delivery times, and good service are ways U.S. firms can counter this competition. The Israeli Government also encourages foreign companies to invest in Israel to carry out research and development programs, as well as to manufacture for the Israeli and export markets. According to the Director General of the Israel Investment Authority, the Government subsidizes research, provides generous loans and grants to set up manufacturing operations in export industries, and provides tax compensation for inflation. Israel also offers a relatively inexpensive and highly educated labor force and, for the medical equipment manufacturer, the opportunity to develop new products in cooperation with some of the most advanced hospitals and research institutions in the world. Some of the mission members, as a result of their discussions, are considering taking advantage of these incentives to establish joint ventures in Israel.

The mission's visit to Israel also afforded a chance to explore sales opportunities for medical equipment on the West Bank and ways of approaching the market there. Opportunities exist for sales to specialized organizations as well as to general hospitals and clinics.

Company representatives who participated in the mission were: John C. Cole, E. I. DuPont de Nemours & Co., Biomedical Division/Sorvall; Merton A. Enison, H. G. Fischer, Inc.; Hubert Lando, Jr., Hubert Lando Jr., Inc.; Ramesh M. Shah, Medico Electronic, Inc.; and Alexander R. Torok, Intermedics International, Inc.

EQUIPMENT SALES SEEN IN EAST EUROPE FOR FROZEN FOOD EXPANSION

Importation of Western equipment is the only way Poland, Hungary, and Yugoslavia can increase the quality and quantity of their frozen food industries' production. Most local manufacturers have neither sufficient capacity nor the technical know-how to supply the advanced equipment needed for modernization and expansion of existing facilities, according to U.S. industry experts who recently visited Warsaw, Budapest, and Belgrade.

The five company executives—suppliers of equipment for freezing, processing, packaging, and transportation of frozen foods—were conducting sales seminars in each city, presenting an overview of the state of the art to officials of the appropriate ministries, related institutes, and foreign trade organizations.

Seminar Director E. W. Williams, publisher of *Quick Frozen Foods International*, reports that interest in frozen foods appeared to be greater than in any other branch of the food industry, that the need for good equipment was everywhere obvious, and that "it only remains to sell the equipment, provide service and parts, and negotiate hard-currency transactions with a minimum of barter." Increased production is planned, both for local consumption and for export. Some 200 to 300 attended the meetings in each city.

A representative of the fruit and vegetable industry in Poland told the U.S. group that ten new plants to produce frozen fruits and vegetables with 15,000 tons capacity each are planned for the next few years—for which considerable equipment will be needed. The group visited two plants near Warsaw. One, the Gora Kalwaria Hortex plant, has a capacity to process 12,000 tons of frozen fruits and vegetables as well as ice cream. Hortex produces about 50 percent of all frozen fruits and vegetables in Poland and exports to a value of about $30 million—most of the fruit going to the United States. The facility is constantly being modernized, and the director expressed a desire to buy new, automated equipment. Of this market, Williams said:

"I believe that the frozen foods industry has its biggest opportunity in Poland as compared with other socialist countries, excluding the Soviet Union. Poland . . . is an agricultural country with a large potential and is experienced in the production and export of food products. Selling equipment in Poland is really not much different from selling in the United States —but it takes longer. The various department heads prefer to get to know the salesman, who in turn must work with the end user or production head at the factory which he wants to sell. Then the factory recommends the purchase of equipment to the proper bureau and usually, at the final negotiations there is present a negotiator, a lawyer and an interpreter."

Hungary has ten cold storage plants, eight of which are producing frozen foods. Two more are under contract, to be ready in June and December. Hungary's next five-year plan, 1980-85, calls for three new plants, Williams notes.

Yugoslavia maintains less centralized control over its economy than do the other countries visited. There are some 200 "kombinats"—large integrated enterprises that sometimes own the whole chain of production, from land through processing to retail store—of which about 80 are in frozen foods; however, almost every kombinat plans to produce frozen foods. U.S. equipment is well regarded; but because of the lack of hard currency, as in Poland and Hungary, barter is emphasized.

The seminar participants, all of whose companies have equipment in operation in Yugoslavia, were: Bo Alberg, Kliklok Corp.; A. Giaccio, Hayssen Manufacturing Co.; G. Giovanetti, FMC Corp.; W. B. Ludwig, Lewis Refrigeration; and R. Schaal, Thermo King.

The members of the group estimate their sales in the area over the next year at about $2 million.

DISCUSSIONS IN SAUDI ARABIA—*Mission members met with Deputy Governor (center, right) of Saudi Arabia Electricity Corp. in Riyadh to hear details about electric systems planned for area. Map outlines Eastern Province referred to in article.*

U.S. ELECTRICAL ENERGY SYSTEMS MISSION SPARKS CONTACTS IN NEAR EAST

A 15-day, four-country selling thrust by a U.S. trade mission in the Near East last month once again confirmed that the area offers enormous markets for U.S. business. The nine-company group, suppliers of electrical energy systems and related products and services, met with senior officials and key contacts in Saudi Arabia, Oman, Bahrain, and Iraq.

This was the first U.S. mission for energy systems to enter Iraq. Dr. Harith Jamil, President of the State Organization for Electricity, reflecting the nation's desire to diversify their sources of supply, had approached the U.S. Interest Section in Baghdad suggesting that a "blue chip" senior delegation come to Iraq. Electric power generating as part of the industrial sector program has top priority in the $49 billion development plan for 1976-1980. Over $2 billion are earmarked for projects in this area, including $278 million for rural electrification which envisions providing electricity to some 2,700 villages which heretofore had no power. About 45 percent of Iraq's interior is without electricity at this time.

Other priority projects highlighted during the mission in Iraq include the $100 million 700-kilometer high-voltage transmission network expected to offer opportunities for U.S. suppliers; and another grid system being planned by a Canadian consultant for 1,000 kilometers of lines expected to cost over $300 million.

Dr. Jamil pointed out that while a good share of the power facility design work—such as the power station on the Diyala River—has been contracted to Soviet and other Eastern European consultants, equipment tenders continue to come out for international procurement. Mission member P. Raymond Orens, Vice President of McGraw-Edison Co., noted, "I was impressed with Iraq's ambitious electrification program. The projected increase in generating capacity from 1,800 to 4,000 megawatts will undoubtedly create excellent opportunities for my company."

Growth of power generation in Saudi Arabia, particularly in the Jidda area, has been phenomenal. The Five Year Development Plan foresees the building of an integrated system of 4,538 megawatt capacity, plus an additional 5,335 megawatts operated by private non-integrated utility companies, in the early 1980s. Two particularly informative briefings in Saudi Arabia, notes Mission Director J. Roger McCauley of the Commerce Department, were in connection with development of the new industrial complex and city in Yenbo, and the program for electrification of the Eastern Province conducted by personnel from Aramco.

Upon leaving the country, mission participant T. J. O'Shea of the Westinghouse Electric Corp. commented: "The mission provided an excellent, concentrated insight into the opportunities and difficulties of the exciting Saudi market. These meetings exemplify the need for concentrating even greater efforts on this market. The enthusiastic reception of this mission by the Saudi officials and businessmen reaffirmed their interest in American products and technology."

A similarly dramatic increase, although on a more modest scale, was delineated in Oman. Prior to 1971 the country's power system was largely limited to Muscat, the capital. Over $350 million in electrification and desalination projects are now on the drawing boards. The mission was particularly timely because a World Bank funded study on water and power has just been completed. Preliminary requirements of the master plan for long-term needs have been reported to the Directorate General of Electricity, the sole authority for power generating in that country. Rural electrification will play an important part in the development program and 26 diesel stations are planned for construction in the near future.

Mission members were also impressed with the electrical energy systems needs identified in Bahrain.

The briefings received and the contacts established point to 12-month sales estimates of some $123.4 million, McCauley reports. Opportunities for sales run the full gamut: thermal, hydro and gas generators; gasoline and diesel-driven generator sets; power transmission equipment; solar energy systems; desalination plants; and other power equipment such as switchgear and transformers.

Companies participating in the mission were: Allis-Chalmers, Cincinnati; Babcock-Wilcox Co., New York; Combustion Engineering, Windsor, Conn.; Curtiss-Wright Corp., Wood-Ridge, N.J.; Dow Corning, Midland, Mich.; General Electric, New York; McGraw-Edison, Canonsburg, Pa.; Planning Research, Washington, D.C.; and Westinghouse Electric, Pittsburgh.

U.S. SUPPLIERS OF AIDS FOR HANDICAPPED FIND NEW CUSTOMERS IN JAPAN

A U.S. market promotion took an untried course—offering aids for the handicapped—and scored well recently at the Tokyo U.S. Trade Center.

In Japan, as in many countries today, public attitudes toward the disabled are becoming more enlightened: both government and private groups have programs to integrate the handicapped into the overall society. The United States is recognized as a world leader in rehabilitation, and American firms continue to develop numerous products that enable the handicapped to lead more normal lives. The very existence of many of these products and technologies, however, is unknown overseas. The "Rehabilitation USA" exhibition, said to be the first of its kind in the Far East, brought these trends together.

The Japan Television Broadcasting Corporation (NHK) introduced the U.S. event to the TV audience; and the Educational Television Network televised interviews with Harold Russell, Chairman of the U.S. President's Committee on Employment of the Handicapped, and Dr. Edward C. Merrill, President of Gallaudet College in Washington, D.C., the world's only college for deaf students. Thus, millions of Japanese had an opportunity to see at least part of the exhibition on TV and many of the latest products offered by U.S. companies.

During the six-day exhibition, several participants drew strong interest with their extensive lines of powered and nonpowered wheelchairs. Compared with Japanese models, they were all of high quality and innovative design. Powered prostheses received moderate attention, reflecting a more limited demand. Adaptive systems for the blind and near-blind were enthusiastically accepted; most of this technology was totally new to the Japanese market. Sales were substantial for specialized training and educational systems for handicapped children. Although American hearing aids and devices are more expensive than those of Japanese competitors, U.S. products are considered to be of superior design and high in quality and were well received.

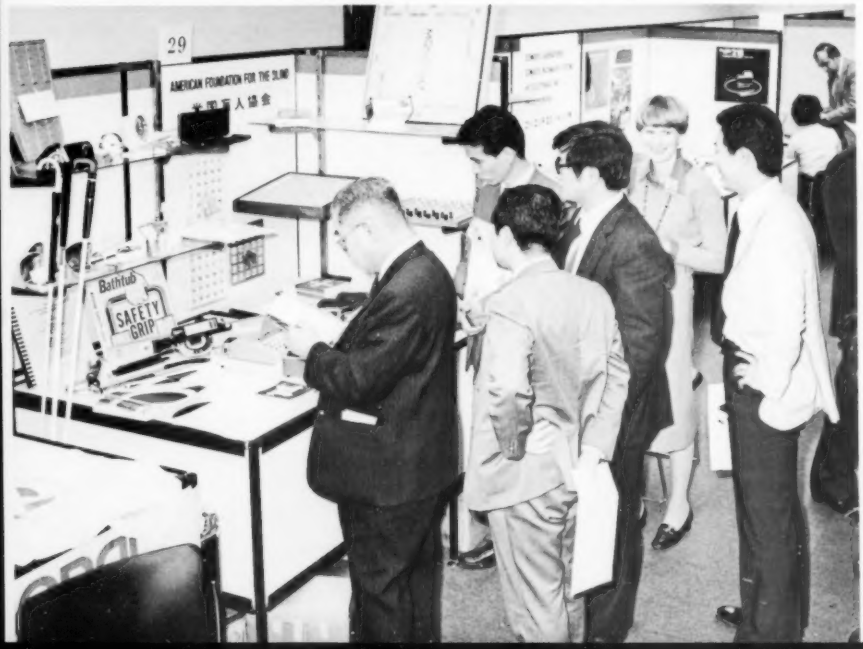
Other items attracting substantial interest were pacemakers, heel and elbow protectors, driving aids, roto-rest beds, devices to correct foot development problems in children, and orthopedic manufacturing equipment. Enlarged reading systems, deaf (telephone) communication devices, bed-lift hoists, safety rail systems, cushion-lift chairs, and cosmetic prostheses stimulated some interest.

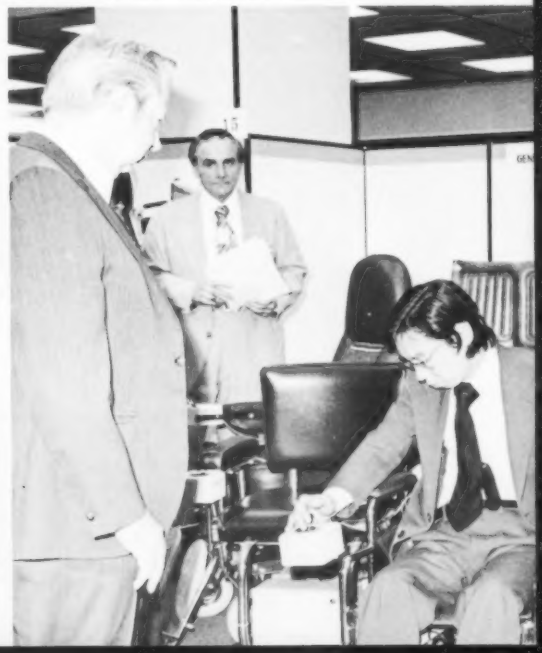
Japan's Law for the Welfare of Disabled Persons provides for grants to the handicapped for purchase and repair of rehabilitation products. In fiscal '76, the government issued grants totaling more than $14 million toward the purchase of such equipment as wheelchairs, artificial limbs, hearing aids, and trusses and braces. Another law, dealing with employment of the physically handicapped, specifies a quota system, provides for assistance in placement, and establishes on-the-job training programs. The Japanese market for rehabilitation equipment was valued at $188 million in 1976. An average annual growth rate of about 11 percent during the next several years is expected.

Complemented by movies supplied by Rehabilitation International USA, and a technical seminar sponsored by Russell and his committee, the exhibition had 28 participants representing 31 commercial exhibitors and 11 educational exhibitors. The educational displays were mounted by several federal agencies, rehabilitation organizations, and academic institutions. The commercial exhibitors were all new to the market; for many, it was their first opportunity to enter the export market. All were small or medium-sized. Direct sales totaled $101,357, and 12-month projections, $3.1 million. Twelve representatives were appointed; 19 are under negotiation.

SURPRISE PRESENTATION—*As Senator Eita Yashiro (left) and Mrs. Yashiro visited the displays, he received a gift of a new wheelchair from Robert C. Birch (right) of Everest & Jennings, Inc., Los Angeles. Senator Yashiro strongly supports Japanese Government funding to provide equipment to the handicapped.*

AIDS FOR THE HANDICAPPED—*Canes, clocks, games, and safety devices were among the products displayed by the American Foundation for the Blind during the recent Tokyo U.S. Trade Center show. In photo at right, James R. Allen, President of General Teleoperators, Inc., Downey, Calif., describes to an attendee the operation of his company's powered wheelchair.*





FRANCE CONTINUES POLICY OF RESTRAINING GROWTH UNTIL BALANCE RETURNS

Because of high inflation, a serious trade deficit and pressure on the franc, the French Government has been pursuing a comprehensive stabilization program since September 1976. According to the U.S. Embassy in Paris, the Barre government's approach has been to slow down the growth of the French economy until a healthy trade and payments balance is restored. Under present policies, most forecasts envision 1978 growth in the 3 to 4 percent range, with continuing high unemployment and slow progress in reducing inflation to a level which would give French economic policy more room for maneuver.

When Raymond Barre took charge as Prime Minister in August 1976, the French trade deficit was mounting, the franc was slipping badly, and inflation seemed to be reaccelerating after having settled at an uncomfortably high 9-10 percent rate. Barre's cure was a moderate but prolonged stabilization program, whose principal results in 1977 were (all figures approximate):

- reduced wage pressures (up 12 percent vs. 15 percent in 1976);
- slowly diminishing inflation (up 9.0 percent vs. 9.9 percent);
- a shrinking trade deficit (11 billion FF vs. 20 billion);
- a stable franc;
- a sharply decreased growth rate (3.1 percent vs. 5.2 percent);
- increased unemployment (1,026,000 vs. 930,000).

With a view toward consolidating the gains achieved in 1977, the Barre government projects only a very gradual easing of the reins in 1978. Based on the assumption of slow growth and decreasing inflation rates in West Germany and elsewhere among France's main trading partners, most French economists believe that growth much beyond 3.5 percent in 1978 would lead to a new import surge accompanied by pressures on the franc. But the Barre government's target is to keep the franc stable and to reduce further the trade deficit and the inflation rate.

As noted, 1978 GDP growth is expected to fall toward the middle of the 3-4 percent range, with inflation gradually slowing to the vicinity of 8 percent. In this scenario, imports would increase no more than 5 or 6 percent, with exports growing slightly faster and the trade and current account balances improving over 1977 totals. The franc would remain strong, even with sharply reduced foreign borrowing by French nationalized enterprises. On the negative side, unemployment and social tensions would rise and the French economy would continue to operate well below capacity.

As the means of assuring continuing consolidation, the Barre government has proposed a continuation of its 1977 wage-slowdown policies, a further decrease in the budget deficit, slower growth in the money supply and a freeze on the corporate income tax and on social security taxes designed to encourage investment and new hiring.

Some bright spots

Within this overall context of continuing stabilization, certain sectors of the economy are likely to be considerably stronger than others—partly because 1978 growth would be based more on consumption demand than on investment, and partly because of the peculiar mix of export opportunities and import "threats" facing France.

The aviation industry, whose production increased 13 percent in 1977, is expected to do even better in 1978, largely on the basis of strong exports. Electrical machinery production is projected to expand 6 or 7 percent on the strength of both consumer and public sector investment demand. The chemical industry should grow about 5-6 percent. Finally, assuming reasonable weather, agricultural production should be strong and make a healthy contribution to French exports.

Among the sectors expected to grow more slowly are textiles (up 3 percent), paper and cardboard (4 percent), transportation (2 or 3 percent), and machine tools (3 or 4 percent). A number of important industry sectors are expected to be either stagnant or declining; automotive production, construction and public works, nonferrous metals, iron and steel, and shipbuilding are the most significant of these.

U.S. exports should grow moderately during 1978. Should the government succeed in stimulating French investment in plant and equipment, the opportunities for manufacturers of capital and related goods would be proportionally better. In the longer term, the need for French industry to restructure and modernize in the face of mounting international competitive pressures should provide a good market for United States suppliers in high technology areas.

Based on Embassy studies as well as research performed by private companies, the following product categories appear to offer the best prospects for the coming period:

Computers and Peripheral Equipment: The total value of installed computers in France, which in January 1977 was about $5.4 billion, is projected at $7.9 billion by Jan. 1, 1980. With annual consumption of computer products in 1980 of $6 billion, this represents an annual rate of increase of 23.6 percent since 1975.

Electronic Components: This market is large ($1.4 billion in 1976) and will expand to an estimated $1.9 billion by 1980, with imports providing a substantial share. The United States has a major market share and our advancing technology should provide a good opportunity to expand it.

Laboratory Instrumentation: France is the fourth largest market in the world for U.S. laboratory instrumentation. In a market dominated by imports, the United States accounts for a 25-30 percent share, with Germany as its major competitor. U.S. penetration is enhanced by the presence of subsidiaries of major U.S. firms in the market and by respect for U.S. technological sophistication and dependability.

Electronic Industry Production and Test Equipment: The French Government is seeking to expand domestic production of electronic components. Investment in production equipment of up to 3 billion francs (about $600 million) is foreseen. The 1976 import market was $178 million of a total $189 million. U.S. sales were $81 million or 43 percent of French consumption of this equipment.

Computerized and Automated Machine Tools and Controls: A 1974 market study projected French purchases of numerical control machine tools would reach $140 million by 1978. Soaring purchases in 1975 and 1976, which were recession years for

No Change In Direction

The French center-right coalition was reelected March 19 in the second and final round of the Parliamentary elections with a broad margin of 288 National Assembly seats against 199 for the Socialist-Communist opposition. This unexpected wide margin of victory, down just four seats from the previous margin, has eliminated the possibility that, in the near future, France will take a turn to the left. The election results should also provide the centrist-right government with time to further implement its comprehensive stabilization program, which has already resulted in a more attractive business environment. With the expectation that French political and economic conditions will continue to improve and that the government's program for stimulating French investment in plant and equipment will succeed, a better market for selected American products should develop.

the machine tool industry in general, make this estimate appear conservative. Management is attempting to counter problems in the industry by increasing productivity, including the use of more labor-saving, high-technology metalworking equipment.

Business Equipment: Imports of business equipment supply 80 percent of the French market. This market is projected to expand at 14 percent annually, reaching $1 billion by 1980, with the ratio of imports unchanged. U.S. companies have a commanding presence in many product lines.

Communication Equipment and Systems: The French Government has embarked on a priority program to improve telecommunications, with annual investment rising to $3.2 billion in 1980 from $1.4 billion in 1975. Although government procurement favors the large domestic industry, there are substantial opportunities for U.S. sales to the private sector and for equipment of advanced technology. U.S. exports rose 36 percent in this category during 1976.

Pollution Control Equipment: According to recent market research, the total air and water pollution control equipment market in France will reach $417 million in 1980. Imports from the United States should rise from $5.7 million in 1976 to $7.5 million in 1980. Best sales prospects are for filtering and industrial waste water equipment (where the market is expected to grow 12-13 percent annually) and for certain high-technology, high-precision equipment unavailable from French producers.

Agricultural Machinery and Garden Equipment: The market in France for this equipment is expected to increase steadily during the next five years. Based on increasing French agricultural investment, prospects for U.S. sales of various agricultural equipment, machinery, components, and garden equipment look promising.

Tito Visit To U.S. Leads To Joint Working Groups

In a joint statement issued at the conclusion of Yugoslav President Tito's visit to Washington March 7-9, Presidents Carter and Tito announced the establishment of joint economic/commercial working groups to facilitate increased trade and economic cooperation between the two countries.

Although details remain to be worked out, it is anticipated that one group will meet in Washington and the other in Belgrade, with meetings scheduled to alternate between the two locations. The Washington group is to be co-chaired by Asst. Secretary of Commerce Frank A. Weil and Yugoslav Ambassador Dimce Belovski. It is expected that the activities of these groups will complement the efforts—at the non-governmental level—of the U.S.-based U.S.-Yugoslav Economic Council and its Yugoslav counterpart, the Yugoslav Chamber for Promotion of Economic Cooperation with the United States.

In the joint statement, the two Presidents emphasized the need to expand U.S.-Yugoslav trade, to strengthen industrial cooperation, to promote travel and tourism, to encourage joint ventures and to improve opportunities for business representatives to work in both countries.

BUILT IN FRANCE FOR AMTRAK—*Three steel train car body shells are shown being discharged from Johnson ScanStar's M/S Margaret Johnson at the port of Los Angeles. The shells, each 83 feet long, were shipped by E. S. Peschaud & Cie. of Paris.*

NORWEGIANS ARE WORRIED OVER CONTINUING DECLINE IN COMPETITIVE POSITION

Growing concern about the development of the Norwegian economy is now voiced in government as well as business circles. The counter-cyclical policies pursued by the government since 1975 have succeeded in maintaining demand, and thus production and employment, but needed structural change has been delayed and public debt has increased substantially. Steeply rising labor costs have become particularly evident in recent months; combined with falling productivity and the appreciation of the Norwegian Krone, they have made labor cost per unit of production among the highest in the world. The consequent decline in the competitive position of industry coupled with weak demand in key trading partners has resulted in as much as a 7 to 8 percent reduction in volume in Norway's export market share over the last year, according to the U.S. Embassy in Oslo.

Recognizing the need to improve Norway's competitive position internationally, the government proposed a budget to the Storting (Parliament) last fall that set reduction of domestic cost/price pressures as its primary objective. To this end, a spring wage/income settlement was called for that would permit no rise in real disposable income; other measures to reduce consumer demand in 1978 were also proposed. Policies governing support for industry were revised to give greater emphasis to structural change rather than short-term survival for firms that are clearly no longer viable.

The Federation of Norwegian Industries assumes that industrial production declined overall by 0.75 percent in 1977, and it projects no growth in manufacturing in 1978. In 1977 there were reductions in output of iron, steel, ferroalloys, paper and pulp, all of which are export industries.

Unique employment situation

The employment situation in 1977 was unique in that the average unemployment rate in Norway was less than 1 percent. However, about 115,000 workers were affected by measures to maintain employment (loans, guarantees, grants)—more than a quarter of the total manpower in mining and manufacturing. The recent modifications in support policies are expected to lead to a small increase in unemployment. Without some increase in unemployment, wage adjustments at the plant level ("wage drift") will probably increase real wage costs in 1978 regardless of the outcome of the spring wage/incomes agreement.

Real disposable income for wage and salary earners, farmers, and pensioners has increased sharply in recent years. Private saving has not risen correspondingly and

STORD SHIPYARD IN SUNNHORDLAND—*Shipbuilding is one of the Norwegian industries in most need of restructuring. Much of the needed modernization will be in the form of imported machinery and equipment, presenting opportunities for U.S.*

consumer demand has accelerated. From a growth in consumer demand of about 3 percent in 1972 and 1973, the recorded rise reached an all-time high of 6.3 percent in 1976. It climbed by an additional 5 percent in 1977, according to preliminary data. (This figure appears essentially correct, as retail trade during the first 11 months of 1977 grew by 5 percent in real terms.) The continued rapid growth in consumer demand in 1977 has been to a substantial degree channeled into purchases of imported goods.

Government has acted

In accordance with its economic program, the government has taken a series of steps lately to curb private consumption and induce savings. Banks and other credit institutions have been permitted more freedom to set interest rates, resulting in an upward adjustment of rates both on loans and deposits. The banks have also been advised by the government to reduce their outstanding loans for consumption purposes by 16 percent in 1978. Installment credit, which rose sharply in 1977, has been severely curtailed (particularly with respect to credit for new car purchases). New taxes have been imposed on travel, liquor, and pleasure boats, and on engines and gasoline for such boats.

It is too early to judge the effect of the newly implemented measures to slow down the growth of private consumption. However, the government and the Federation of Norwegian Industries both project consumer demand to increase only by about 3 percent in 1978 in contrast to the higher growth of the last four years.

Public consumption will also be trimmed. It is expected to increase 5 percent in 1978 compared with an estimated 5.75 percent last year.

Gross investment is expected to decrease in 1978, after rising sharply during recent years—by 10.7 percent in real terms in 1975, 12.1 percent in 1976, and an estimated 7.5 percent in 1977. In this period, gross investment increased its share of the gross national product from 31 to 38 percent. Three sectors of the economy experienced particular growth: offshore petroleum, public administration, and the sector comprising power production, trade and transportation. Investment in these sectors is expected to be cut back in 1978, however, and no balancing is foreseen in other sectors' capital outlays.

North Sea oil investment, which accounted for more than one-half of total investment in 1977 (but which has less direct impact on the domestic economy than other investments because a major part of the spending is for foreign goods and services) is expected to fall by 25 percent in 1978. In manufacturing, which is projected to spend about 10 percent less than in 1977, the near completion of the Rafnes petrochemical complex will have a large impact.

According to the most recent investment survey, total 1978 capital spending in manufacturing, hydroelectric power development, and mining (offshore oil included) will be about 11 percent less than in 1977. However, reduction of the tax on investments in manufacturing from 13 to 9 percent may encourage less of a cutback.

Public investments increased sharply during the last few years, and rose 7 percent in 1977. According to the 1978 national budget, however, total public investment will be held to a 4 percent increase in 1978. A recent government decision to cut back the lending quota for State Municipal Banks for 1978 by 10 percent will reduce spending on municipal building projects to some extent.

Building activity remained high through 1977 and total building starts were on the rise during the last months of the year, following a weaker trend earlier in 1977. The 1978 national budget projects 40,000 new dwellings in 1978, about the same as in 1977.

Inventories in manufacturing trended up slightly during 1977, but inventories of unsold goods for exports have built up nearly to the record level reached at the end of 1975. At the beginning of 1977, sales problems for ores and minerals pushed up stock figures. These stocks were reduced in the third quarter, but then inventories of metals rose significantly. According to the Paper Industry Economic Institute, stocks of paper and board at the end of October were greater by 5 percent, or 1.5 months' production, than one year earlier.

Drifting upward

During the one-year period ending Dec. 15, the cost of living index rose 9.1 percent, the same increase as in 1976. Hourly earnings of male industrial workers were 11.8 percent higher at the end of the third quarter than one year earlier. About six percentage points of the increase is estimated to have resulted from "wage drift."

About one-quarter of the 600 largest industrial companies operated at a deficit in 1977, according to an official survey. The amounts of the deficits were not recorded, but company annual accounts which are published at the beginning of the year show that many companies, particularly in mining, primary iron and metal processing, pulp and paper and other export industries, suffered substantial losses in 1977. Industries not facing direct foreign competition, on the other hand, appear to have had record turnovers and profits because of rising internal demand.

The high level of domestic demand and reduced competitiveness of domestic goods

(continued on page 22)

COMMERCE UPDATE
ON THE DOMESTIC SCENE

BUSINESS CAPITAL SPENDING--Business expects to increase spending for new plant and equipment by 10.9 percent in 1978, to $150.7 billion, according to a survey conducted in late January and February by Commerce's Bureau of Economic Analysis. Such spending rose 12.7 percent in 1977, to $135.8 billion. If the survey respondents included an inflationary factor equal to the price rises in 1977 in capital goods, then an increase in real spending of 5.5 percent is indicated for 1978.

ENERGY FROM THE SEA?--A 100-ton buoy has begun collecting data in the Gulf of Mexico off Tampa this month, to provide important information on the mechanics of extracting energy from the sea. Commerce's National Oceanic and Atmospheric Administration has equipped the buoy to test the effect of seawater on Ocean Thermal Energy Conversion power plants. Such plants, currently experimental, generate electricity by using the temperature differential between the warm surface layers of the ocean and the colder waters below.

WORKERS' COMMUTING HABITS--Travel to work by almost 13 million persons in 21 metropolitan areas has been surveyed by the Census Bureau and shows that 93 percent rode, 5 percent walked and 2 percent worked at home. Of the riders, 68 percent drove alone, 18 percent were in carpools and 12 percent used public transit. Use of public transit slipped 3 percentage points from 1970 to 1975. Full details are in "Selected Characteristics of Travel to Work in 21 Metropolitan Areas: 1975," which is Census Bureau report Series P-23, No. 28, available at $1.10 from the Supt. of Documents, U.S. Govt. Printing Office, Washington, D.C. 20402.

RUSTING AWAY--Metallic corrosion may cost the U.S. about $70 billion each year, according to a new study by Commerce's National Bureau of Standards. That figure represents about 4.2 percent of total U.S. GNP for the study year of 1975. The study also estimated that about $10 billion of the total could have been saved had the latest and best corrosion-control technology been used. About 3.5 percent of total U.S. energy demand was generated in 1975 because of metallic corrosion.

GOVERNMENTAL BILL FOR ENVIRONMENTAL QUALITY CONTROL--Federal, State and local governments spent about $10.2 billion for environmental quality control in fiscal 1975-76, up 14.4 percent over the previous period. The Census Bureau study found that water quality control accounted for $7 billion, land quality control, $2.5 billion, and air quality control, $376.1 million. About $280 million more went for noise control and regulatory and administrative operations.

FEDERAL PROCUREMENT CONFERENCE--The Los Angeles business community is invited to meet personally with procurement specialists from Federal military and civilian agencies and Federal prime contractors April 7 at the Hyatt House Hotel at Los Angeles International Airport. Gary A. Reinhart, an Assistant to Rep. Charles H. Wilson, the conference sponsor, has details on 213-536-6680.

EXPENDITURES ON RESIDENTIAL UPKEEP AND IMPROVEMENT--Census Bureau figures for 1977 expenditures for upkeep and improvement of residential properties show an increase of 8 percent over 1976 to an estimated total of $31.3 billion. Of the total, 73 percent was spent by resident owners of properties with one to four housing units. The remainder was spent by nonresident owners of one to four unit properties and owners of all properties with five or more units.

SOLAR HEATING BEST-SELLER--Commerce's National Technical Information Service has honored four NASA engineers, Johnny Allred, Joseph M. Shinn, Jr., Cecil E. Kirby and Sheridan R. Barringer, whose book on home solar heating has now sold 34,000 copies. "An Inexpensive Economical Solar Heating System for Homes," can be obtained from NTIS, 5285 Port Royal Rd., Springfield, Va. 22161 for $4.50, number N76-27671.

Winter Weather Temporarily Interrupts Retail Sales Gain

This article was prepared by Chief Economist Courtenay Slater in collaboration with staff economist Theodore S. Torda.

Dr. Slater

Retail sales got off to one of the slowest starts in many years in January and February as unusually severe weather buffeted many areas of the nation. The exceptionally strong burst in consumer sales in the fourth quarter of 1977 was followed by a slide of almost 4 percent in January and only a modest 0.6 percent rise in February. Even before the onset of severe weather, analysts had expected some slowdown in retail sales growth following the large and unsustainable rate of increase in late 1977. Furthermore, automobile sales generally have been disappointing since the introduction of the new models last fall.

The question of the moment is whether retail sales will pick up quickly and strongly to make up for a poor start. While there seems little doubt that many sales have been merely delayed, the recovery may not be as rapid as the rebound that followed the severe weather of early 1977.

After last March's rebound, retail sales growth slowed during the middle two quarters of 1977. Over the six-month period, March to September 1977, retail sales rose by less than 2 percent. This weak performance caused a backup in the ratio of retail inventories to sales, which in turn led to temporary production cutbacks in many lines of manufacturing activity.

From September to December, retail sales surged by 5 percent, and overall retail inventories were brought into better balance with sales. Automotive inventories, however, continued to mount, reflecting the downward drift in new car sales since last March. At the end of February 1978, retail stocks of domestic new cars totaled 2.6 months of sales, compared with a norm of about two months.

Retail sales rarely grow at a steady monthly or quarterly pace, in part because disposable personal income—the key determinant of the ability to buy—does not grow at a steady rate, and because consumers' savings and debt burdens periodically deviate from desired relationships. The renewed strength in retail buying during the fourth quarter of 1977 coincided with the largest increase in disposable income since the second quarter of 1975, when a major tax cut occurred. Growth in income was bolstered late last year by strong gains in employment, and by special factors such as the Federal pay raise in October, extra dividend payments, and a sharp recovery in farm income (partly due to subsidy payments).

In the first quarter of 1978, however, a considerable slowdown in the growth of disposable income appears to be emerging. This is partly because some factors that stimulated income in the fourth quarter will be missing. In addition, adverse weather conditions in January and February, plus the coal miners' strike, will hold down income gains. Higher social security taxes effective Jan. 1 will reduce first quarter disposable income by $2.7 billion (annual rate), but this will be offset by $4.2 billion of extra personal income tax refunds during the first half of the year as a result of last year's tax law changes.

Short-run variations in retail sales also reflect consumer attitudes and expectations —factors that influence decisions to purchase "big ticket items" such as major household goods, new cars, or recreational vehicles. These items usually require the use of installment credit, and the willingness to take on debt generally is influenced by the state of consumer confidence regarding income prospects.

Two well-known measures of consumer attitudes depicted in the charts give somewhat conflicting pictures of consumer confidence. Each measure is based largely on how households perceive business conditions and their personal financial situations, both retrospective and prospective. The University of Michigan's index of consumer sentiment reached a cyclical peak in the spring of 1977 and then declined during the remainder of the year. Although not dramatic by historical standards, this was the first decline in consumer sentiment for two consecutive quarters since the 1973-75 recession. Consumers were reported to be increasingly concerned over less favorable prospects for the economy and for their personal finances. Ironically, they continued to believe that it was a good time to buy major household goods, because prices were rising and presumably would not come back down. The new monthly survey showed little change in consumer sentiment in January.

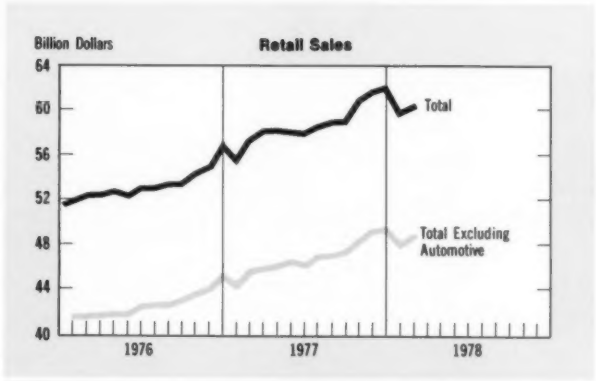
The Conference Board, whose survey questions refer to a shorter time period than the University of Michigan, reported that its index of consumer confidence began to rise rapidly in November. By January, consumer confidence had risen to the highest level since late 1972. The largest proportion of households in the ten-year history of the Conference Board's survey expected an improvement in income during the next six months. This measure of confidence remained at a high level in February.

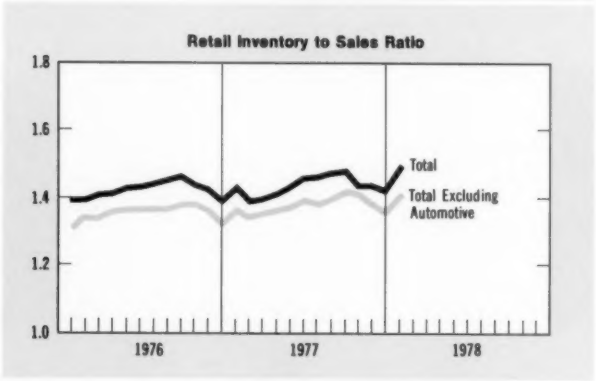
The behavior of consumer attitudes in recent years may be compared with an alternative indicator of consumer confidence, namely, the willingness to use installment credit. Last year, new installment credit extensions exceeded liquidations by $31 billion, a record dollar amount. Putting it another way, the net increase in consumer installment credit outstanding supplemented disposable income by 2.4 percent, also a record.

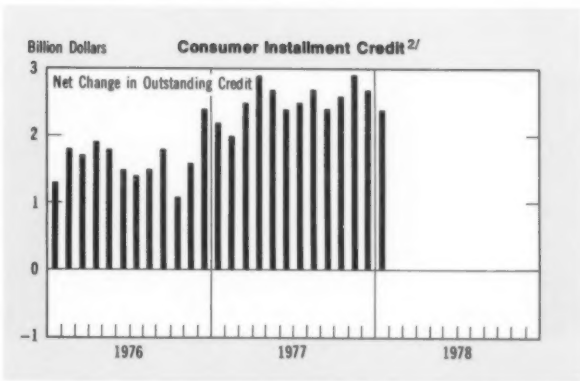
The total amount of consumer credit outstanding, relative to personal income, was at an all-time high in January 1978. The debt burden, as measured by the ratio of credit liquidations to disposable income, has been rising since early 1976 and is likely to move higher in 1978. At 15 percent in the fourth quarter of 1977, the debt burden was approaching its prerecession high of 15.4 percent, reached in early 1973. Growth in retail sales during 1978 may be tempered somewhat if a rising share of disposable income is taken by credit liquidations.

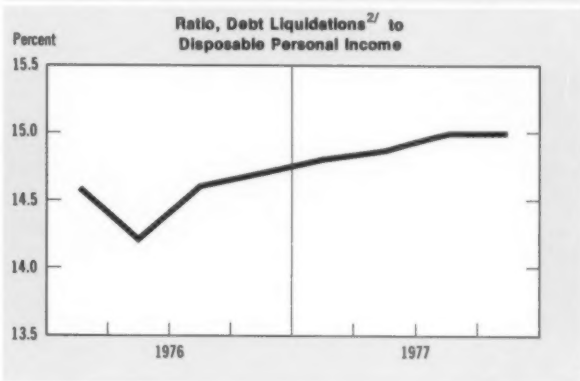
Retail firms continue to be fairly optimistic regarding this year's sales prospects. Early in 1977, firms expected a sales increase in current dollars of 9.7 percent for the year. The actual increase for 1977 was 10.2 percent. This year retailers expect a gain of 9.1 percent. Although retail sales were off to a slow start early in 1978, analysts expect a pickup during the spring.

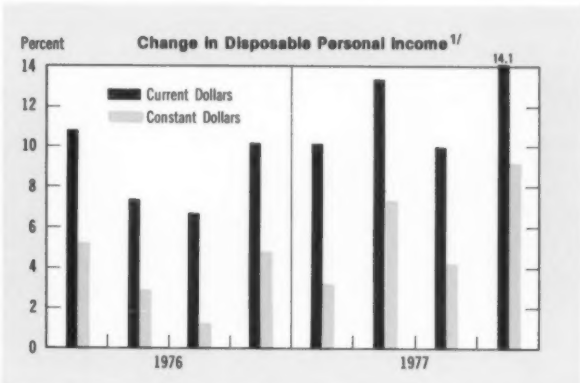
For the past two years there have been pauses in retail sales growth in the late summer and fall. If the President's proposed tax reductions are enacted before the October effective date, this pattern may be averted in 1978. Early enactment would bolster both consumer and business confidence.

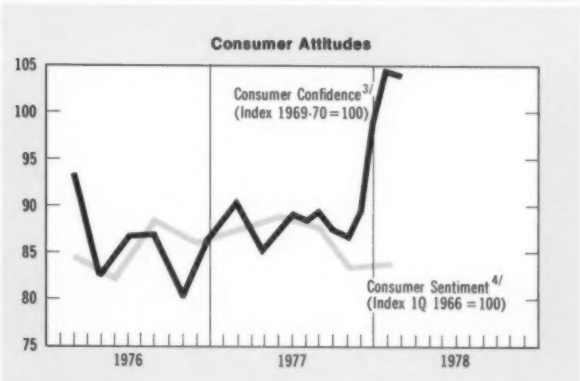












1/ Annual Rate

2/ Source: Board of Governors of the Federal Reserve System

3/ Source: Conference Board

4/ Source: University of Michigan, Survey Research Center

(continued from page 18)

in the domestic market contributed to a steep rise in imports in 1977. Total import value excluding ships rose 16.2 percent over 1976, or about 6.5 percent in real terms. Imports of consumer goods were rising through the first three quarters of 1977, but the rate of growth showed a gradual decline. Imports of capital goods increased at an accelerating rate during the first nine months of 1977. Sales of new passenger cars rose 14.3 percent in 1977, to an all-time high of 145,200 units.

Exports of oil and gas from Norway's offshore fields increased only marginally in 1977 to about $1.3 billion, mainly because of production cutbacks in connection with the "Bravo" blowout in April and delays in opening the gas pipeline to Emden in Germany. In 1978, oil and gas exports are projected at $3.8 billion.

Government officials fear that other Norwegian merchandise exports will show little or no growth in 1978.

High internal demand combined with weak foreign demand for Norwegian products resulted in a record deficit of $5.2 billion in the 1977 balance of payments on current account. The deficit was financed by borrowing abroad: $1.5 billion by shipping companies, $2 billion by oil companies and $1.7 billion by government and industry. The government projects a $3.0 billion deficit on current account in 1978.

Opportunities for U.S. business

For the time being, high labor costs, relatively high manufacturers' investment intentions, new offshore oil field development, and pollution control plans, all indicate continuing opportunity for American business in Norway despite the uncertain economic outlook.

To cut costs of Norwegian exports, the government is encouraging mergers and closer cooperation and rationalization in such industries as electronics and paper production. Long-term policy also calls for restructuring industry, such as shipbuilding, where economic prospects are poorest. European competition will be strong, but American suppliers should be able to provide much of the equipment and engineering for new industry and for streamlining the factories of manufacturers who must reduce labor costs.

Embassy surveys point to good growth in Norwegian imports of products such as American process control instruments, communications equipment, and computers and peripheral equipment. Other business equipment, machine tools, building supplies and equipment, and pollution control equipment should also do well.

Investment in oil field development will be of great importance with work commencing on Valhall/Hod and continuing investment in Frigg and Ekofisk. Building and equipping Statfjord B will be a billion-dollar project alone. Exploration in North Sea blocks to be licensed in the spring of 1978 may lead to further projects.

Any increase in unemployment will mean that in foreign bids to supply products and services to operations in which the government has an interest, bid prices may be secondary to Norwegian content in the final evaluation. In such cases it may be prudent to submit bids with options, one option minimizing costs, another option maximizing the use of Norwegian labor and materials, and possibly other options for other levels of Norwegian content.

Present partnerships of American and Norwegian companies in oil field development set examples which other American companies might well observe, if they wish to operate in Norway. Government policy encourages such partnerships to broaden the nation's industrial competence and to strengthen Norwegian companies.

Pressure to buy locally

Norwegian government policy calls also for Norwegian industry eventually to provide at least 40 percent of the goods and services required by the offshore oil activity on the Norwegian shelf. The percentage presently supplied by Norwegian industry is far lower. The government now requires only that Norwegian goods and services be used where price, quality and delivery time are competitive, but increased unemployment will lead to greater "buy Norwegian" pressure. Some American companies are protecting their position, however, by licensing their products for manufacture in Norway.

Pollution control equipment, especially for water pollution, is another attractive area for licensing arrangements and continues to be of interest to Norwegian industry and government agencies concerned with improving standards of environmental quality.

American automobiles, vans, and some other consumer goods of exceptional quality or appealing novelty are finding a market in Norway. However, Norway removed the last duties on most manufactured goods from the Common Market on July 1, 1977, making competition even more difficult than before.

Promotions of American foodstuffs have augured well for U.S. exports to Norway of fruit, juices and nuts. A changing pattern of food consumption in Norway could also expand the market potential for convenience and specialty food preparations. Licensing arrangements may be the best way to exploit these markets.

Another opportunity area is consumer services. Norway is a "mature" industrial economy with one of the highest per capita real income figures of any industrial country. Under these circumstances, demand for consumer services has increased sharply and will continue strong.

FINNS WORK TO RESTORE UPWARD MOMENTUM WITH POTENT RECOVERY PLAN

Finland is in its fourth straight year of stagnant industrial production and near zero economic growth, according to the U.S. Embassy in Helsinki. In an effort to get the economy moving again, Parliament passed in December a package of measures aimed at dampening wage-price inflationary pressures while strengthening industrial competitiveness and maintaining consumer demand and employment. The government gained voluntary support of labor and business for wage and price restraints, and acquired standby price control authority. The package of economic measures announced in December was followed by an 8 percent devaluation of the Finnmark on Feb. 16.

With exports accounting for about a quarter of GDP, most of Finland's economic difficulty stems from depressed conditions in major Western markets. International demand for ships and heavy industrial equipment remains weak, and Finnish order books continue to shrink. Forest industry exports have performed relatively well in value, and prices of sawn goods and construction-oriented products have held up, but stiffening price competition from North America in Finland's major Western European markets for pulp and some paper qualities has cut into the profitability of the industry. Some firms are producing at a loss.

Domestic consumption is declining. Housing and industrial construction have fallen sharply, reflecting tight money and reduction of public sector investment, as well as surplus production capacity and the uncertain business outlook. Industrial investment declined 14 percent in 1976 and a further 20 percent in 1977.

In mid-December, 165,000 or 7.7 percent of the labor force were unemployed, compared with 90,200 a year earlier. Unemployment has followed the traditional pattern in Finland, with the north and northeastern rural areas suffering extremely high rates contrasted with low to moderate unemployment in the more industrialized southern areas. However, sectoral unemployment in the metalworking and shipbuilding industries in the southern and western cities is growing. Over 40 percent of the unemployed are under 25 years of age. Finnish authorities are concerned over the growing loss of young skilled workers to Sweden. Net emigration to Sweden this year is currently calculated at 7,000, though the recession in Sweden is expected to stem this flow.

Despite the Bank of Finland's tight monetary policies, and reduction of public sector spending, the Consumer Price Index averaged about 13 percent higher in 1977 than 1976, down only slightly from the previous 14.4 percent annual increase.

For the second consecutive year real income of households declined, by 4 percent. Disposable income did not fall because of increased government transfer payments and income tax adjustments to offset inflation-induced income growth. Until agreement in December to delay 1978 wage increases six months, the two-year wage agreements negotiated in March and April had been expected to lead to 9 percent increases in take-home pay in 1977 and 1978. Though in excess of productivity increases, this constitutes acceptance by labor for the first time of a drop in real income. The agreements include escape clauses which effectively limit the extent to which the Finnish Government is able to devalue the mark in response to Sweden's devaluations.

Finland's foreign trade has recovered sharply from the large deficits of recent years and is currently in balance. Through October exports increased 28 percent over the like period a year earlier to FMK 24.8 billion (c.i.f), whereas imports, valued (f.o.b.), grew only 10 percent to reach the same total, FMK 24.8 billion.

Finland's exports to the United States during the first ten months of 1977 were valued at FMK 1.1 billion, doubling the value for the like period in 1976 and bringing bilateral trade into virtual balance. Ships, paper, paper-making machinery and paper, and stainless steel accounted for much of the increase. Furthermore, a more permanent structural shift is reflected in the sharp increase in trade with the OPEC countries. With increased oil imports and growing success by Finnish firms in landing construction contracts, the OPEC countries now account for over 4 percent of total trade, approaching the level of U.S.-Finnish trade. The shares of trade of Finland with the EEC (36 percent), the CEMA countries (23 percent), and EFTA (22 percent) changed only slightly.

The Soviet Union currently accounts for 19 percent of Finland's trade, ahead of Sweden (15 percent) and West Germany (12 percent). Soviet exports are dominated by crude oil, which in 1978 will again total some seven million tons, diesel and residual fuel oil, and coke and coal. Under the bilateral balancing framework, the lowered import requirements of the Finnish economy restrict Finnish exports and will limit Finnish-Soviet trade to only a nominal increase.

Despite the improved trade balance, Finland's export structure is not developing satisfactorily. In the forest industry prices are generally unsatisfactory. European pulp prices are depressed by North American competition and delayed purchases awaiting price cuts by Nordic producers to move massive inventories. The volume of board and plywood exports is expected to decline because of losses in market shares. The substantial growth in 1977 in metal and engineering industry exports will start to tail off in 1978 with contracting orders, especially in shipbuilding.

IN THE NORTH OF FINLAND—*At the Arctic Circle lies the city of Rovaniemi, one of the depressed northern areas where the government is encouraging development.*

Agreement with Soviet Union

In May 1977, Finland and the Soviet Union signed an unprecedented long-term economic cooperation program covering the entire range of Finnish-Soviet economic relations and running to 1990. Its intended trade benefits include assurance of a steady flow of orders for Finland's shipbuilding industry from one Soviet five-year plan to the next. At the same time the two countries signed an FMK 2.7-billion agreement under which a consortium of Finnish firms will construct an iron ore mining center in the Soviet Union at Kostamus, close to the Finnish border. Construction is under way, providing employment and relief for the Finnish construction industry. Agreement was reached only after lengthy negotiations. Extensive Finnish Government financial support is involved, and the net benefits are far from clear.

With Poland, on the other hand, the Finns continue to put off ratification of the trade agreement signed in 1976. Trade with Poland is conducted in hard currency and the Finns continue to run a heavy deficit owing to reliance on Polish coal.

On July 1, 1977, the final 20-percent tariff reductions on the bulk of Finnish-EEC industrial trade were effected. Under various arrangements Finland now has removed duties on most imports from all countries but a few, including the U.S.

Economic policy over the past two years has focused on reducing the large current account deficit that arose in 1974. A deficit of about FMK 1.5—1.8 billion was recorded in 1977, compared with FMK 4.5 billion in 1976 and FMK 8.0 billion in 1975. The increasing effectiveness of governmental fiscal policy and the recent improvement in the current account have enabled the Bank of Finland to ease slightly the stringent monetary measures that had previously borne the main policy burden. On Oct. 1 domestic interest rates were lowered about 1 percent.

During 1977 the Bank of Finland sought to lengthen Finland's foreign debt structure. It extended the list of imports for which immediate cash payment is required, which now covers about 30 percent of imports. This measure has drawn foreign criticism as a restriction of imports. The Bank is seeking to encourage longer-term capital inflows to cover the current account deficit. The Bank's efforts appear to have been more effective on the short-term restrictive end than the long-term expansive end. Although with the excellent standing of Finnish borrowers in the very liquid international markets credits were readily available, slack domestic investment demand and speculation by Finnish firms on the devaluation led to a gradual fall in normally low foreign exchange reserves, which by November had fallen to FMK 538 million, or one week's imports. To tide Finland over until additional government and private capital borrowings expected this year expand reserves, the Bank of

Finland in late November drew down $300 million of the $700 million available in standby credits under arrangements with U.S. and Canadian banks. In the future the Bank is likely to maintain a higher level of foreign exchange reserves.

The 5.7 and 3.0 percent devaluations of the Finnmark on April 5 and Aug. 31 in the wake of devaluations by Sweden, Norway and Denmark left the Finnmark's parity vis-a-vis the Swedish crown roughly unchanged at the end of 1977. The parity of the Finnmark declined slightly vis-a-vis the dollar over the year. Prior to the Feb. 16 devaluation, most observers had agreed that the Finnmark was overvalued.

Finland's net foreign debt stood at FMK 26.7 billion in June, equivalent to a little less than a quarter of gross domestic product or a little more than a year's exports. Two thirds had accumulated after the beginning of the oil crisis in 1974, but the rate of debt acquisition has slowed recently. Shortly after the present government took office in May, it outlined a medium-term strategy whose principal objective was achieving by 1982 "full employment," i.e., 2.5 percent unemployment in comparison with about 7 percent at present, while keeping the current account deficit at or below 2 percent of GDP. The Bank's success in managing the current account will permit expansion of overseas borrowing to finance the moderately expansionary economic program put together by the government in December.

The current broadly-based, left-center coalition, formed in May 1977, has been more successful than its recent predecessors in generating effective anti-inflationary fiscal policy. The size of Finland's foreign trade sector and foreign debt limit the selection of fiscal, monetary, and incomes policy mixes to counter cost-push inflation and generate domestic demand. Nonetheless, the current government has restored a measure of balance between the Bank of Finland's monetary policy and incomes and fiscal policy. Recent high wage settlements and rapid growth in the public sector have been curtailed. The moderate increases called for in the two-year arrangements negotiated in March and April, labor's acceptance without compensation of two minor devaluations—though it was labor each time that limited the devaluation to the maximum it would tolerate without renegotiating the wage agreements—and agreement in December as part of the government's economic policy package to postpone for six months the two wage increases scheduled in spring and fall of 1978, all reflect growing appreciation by the moderate left that real losses in disposable income are a prerequisite to restoration of equilibrium. The most recent devaluation, however, has resulted in a move by labor for compensation. On March 10 the Central Finnish Labor Federation presented specific demands to the Employers Federation.

While the government is unlikely to realize its target of 5 percent inflation in 1978, announced in association with its new economic program—the consensus estimate is 8 percent inflation this year—the combination of voluntary restraint by labor and business of wage and price increases, the government's austerity budget for 1978 passed by the Parliament in December, and only limited relaxation of monetary policy reflect for the first time an effective across-the-board attack on cost-push inflation. Moreover, the slack Finnish economy can absorb the economic program's corporate and personal tax reductions, the step-up that appears likely in the government's overseas borrowing, and direct employment-creation measures.

At this point the question is whether the latest devaluation of the Finnmark and the government's emerging success in gradually reducing inflation can restore Finnish industry's competitiveness by the time Western European markets revive, or whether the financial structure of some forest industry firms and the public policy imperative of curtailing unemployment will compel more drastic measures. The government's economic program includes legislation passed by Parliament providing standby authority to control wages, prices, rents, agricultural income, and income from corporate sources. Broadly similar powers were utilized after the 31 percent devaluation in 1967. Whatever course the government chooses, export-led recovery in 1978 is not a real possibility. At best, recovery will be slow and the recession's residual effects will be felt for several years.

The United States remains Finland's fifth largest supplier. Agricultural products, industrial capital equipment, high-technology production equipment and components, chemicals and plastics, as well as aircraft, are traditionally high on the list of U.S. exports to Finland.

Despite the slack state of the Finnish economy and the overall low level of industrial investment, there remain areas of continued growth and development. Among these, as well as within the general economy, solid sales efforts on the part of U.S. firms can produce meaningful returns both in the short and long-term.

Products which are currently in growing demand are electronic systems, subassemblies and components; industrial process control systems and instrumentation; electronic industrial production and test equipment; communications, navigation and traffic control systems, subsystems and componentry. Longer-term opportunities are to be found in the fields of metalworking and finishing equipment; health care equipment; laboratory, scientific and engineering instruments.

One Year Of Bad Weather Won't Undo Burma's Gains In Political, Economic Realms

The short-term outlook for Burma's economy is perhaps not as bright as it was a year ago, according to the U.S. Embassy in Rangoon. The rather unfavorable weather conditions do not augur well for a third consecutive bumper paddy harvest, and other agricultural output will also be lower. This will probably mean a smaller exportable surplus of agricultural produce, which will put further strain on the balance of payments. It may also mean higher prices for food items on the local market, and this coupled with an anticipated rise in money supply, might well rekindle the inflationary fires that the government so successfully damped down during the past year. Burma's agro-based industries may also be affected by the downturn in agricultural output, and the economy as a whole probably will not expand as much in 1978 and 1979 as it did in the past year. This again points up that Burma's agricultural economy is heavily dependent on the whims of the weather.

However, the country has made some economic progress that is not likely to be undone by one year of unfavorable weather conditions. Barring unforeseen circumstances the nation's political situation should remain stable over the coming 12 months. There have been no communal disturbances or political upheavals in the past two years. For the longer term, Burma could take greater advantage of its abundant natural resources and well-educated population if government policies and attitudes can be liberalized further.

The Burmese Government's development plan, which runs from 1978 to 1982, envisages an average annual GDP growth rate of 6 percent. Exports are scheduled to increase at an annual rate of 14.6 percent and imports are to grow by 11 percent per annum over the plan period. Investment is to average nearly 20 percent growth each year, until by 1982 the investment/GDP ratio reaches 21 percent as compared with less than 9 percent last year. The plan places first priority on production for export, with sectoral emphasis on agriculture, forestry, mining and transportation, in that order.

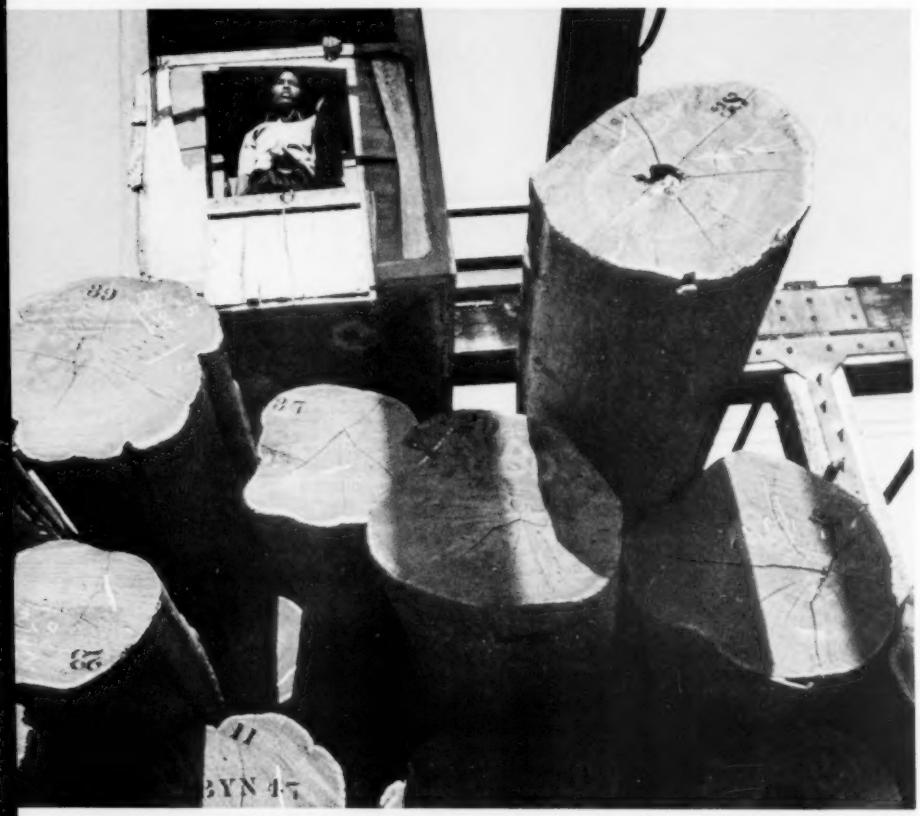
The goals of the development plan are ambitious and given the past deterioration of productive capacity, they are unlikely to be met. Lack of foreign exchange, insufficient mobilization of domestic resources, poor infrastructure and excessive bureaucratic procedures are just a few of the constraints that must be overcome before the targets can even be approached. Nevertheless, Burma is actively attempting to realize some of its economic potential after more than a decade of neglect and actual discouragement of economic progress.

Despite Burma's need for foreign capital and technology, the government remains antagonistic toward private foreign investment. The Burmese Government has announced it will consider such investment under special circumstances, but it has set no guidelines or incentives to attract private foreign investors. The lack of such guidelines and incentives plus the still uncertain economic outlook and the government's open lack of enthusiasm for foreign investment combine to make Burma a rather unattractive investment prospect. An exception could be in offshore petroleum exploration. The Burmese Government may choose to negotiate contracts with foreign petroleum firms for renewed offshore exploration during the coming year, and this might prove an area of interest for U.S. petroleum firms.

Prospects for increased sales of U.S. goods to Burma during the next 12 months are very good. In 1977 the Chase Manhattan Bank organized a loan of nearly $40 million for the Burmese Government-owned Myanma Oil Corporation to finance the purchase of drilling rigs, pipeline construction and related petroleum equipment. Most of the orders resulting from this loan have already been placed with U.S. suppliers, and these orders will be filled over the course of the coming year. These orders, plus increased Burmese procurement from U.S. sources to meet development needs, seem to assure that the value of U.S. exports to Burma will more than double in 1978 from the roughly $13 million exported in 1977.

Development projects financed by the World Bank and Asian Development Bank will require capital equipment, machinery and spare parts for which U.S. suppliers should be most competitive. The Asian Development Bank is currently funding fishery, forestry, irrigation and livestock projects and it will commence additional projects in fisheries, power and sugar mills during the coming year. The World Bank, which also finances a wide range of projects in Burma, plans to add irrigation dams, a fertilizer factory, a forestry scheme, a telecommunications project and a major road development program in the near future. All of these projects will open a wide range of sales opportunities for U.S. firms. There may also be opportunities for consultant services in connection with some of the projects.

Major sales opportunities will be mainly in agricultural machinery, mining equipment, road construction and earthmoving equipment, forest extraction equipment, capital goods for agriculture-based industries and spare parts of all kinds. Most major purchases will be by international tender, and U.S. suppliers should be alert to the sales opportunities offered by these tenders.



TEAK TIMBERYARD IN BURMA—*A project of the Asian Development Bank is helping the Burmese to make better use of their country's abundant forestry resources.*

PETROLEUM PUTS ECUADOR IN FAVORABLE POSITION TO CONTINUE DEVELOPMENT

Ecuador's Gross Domestic Product continued to grow impressively during 1977, despite a lag in the crucial petroleum sector, which in turn restrained many public sector activities. Real GDP grew by 7.7 percent, following 1976's 7.2 percent gain. Leading the way were manufacturing (accounting for 16.7 percent of total GDP), agriculture, forestry and fishing (21.6 percent), trade (21 percent) and construction (5.3 percent).

Prospects are good for a similar or even greater expansion of GDP during 1978, according to the U.S. Embassy in Quito. The petroleum sector should recover, with a consequent stimulus of the public sector. Manufacturing, trade and construction will probably remain strong. Agricultural production in the present year should approach 1977's level.

Oil dominates the economy

Ecuador, the smallest producer in OPEC, first exported petroleum in 1972. Despite the relative insignificance of Ecuador's petroleum on the world market, it dominates economic activity in Ecuador, accounting for a large percentage of GDP (over 12 percent in 1976), export earnings (almost 50 percent in 1976), public sector revenues and total foreign investment.

The military is turning the government over to civilians, through presidential elections scheduled for July 16. Thus far the process has been running smoothly. The leading prospective candidates seem to be favorably disposed towards the private sector and foreign investment.

Petroleum export earnings for 1977 through Dec. 15 totaled $462 million, as against 1976's $636 million. Average production of under 180,000 barrels/day through the first 10 months of the year was well below the scheduled rate of 210,000 barrels/day. This sharp drop may be attributed to legal problems early in the year concerning the ownership of oil produced by CEPE (Ecuadorean State Petroleum Corporation) in place of Gulf, the relatively high export price fixed for CEPE's oil until late in the year, shrinkage of CEPE's traditional markets in the United States (because of the start-up of the Alaskan pipeline and Mexican supplies) and in Chile and Peru (because of increased domestic production there), and greater competition from the Middle Eastern countries in supplying crude to Caribbean refineries.

Due to lack of any significant exploratory well-drilling over the last few years, Ecuador's known recoverable petroleum reserves have not increased beyond 1.5 billion barrels. With rapidly increasing

NEW CONSTRUCTION IN QUITO—*Earnings from the export of petroleum are helping finance the construction of modern office buildings like this one in Ecuador's capital.*

domestic consumption, spurred on by heavy subsidization of prices of derivatives, Ecuador's ability to continue to export significant quantities of petroleum is mainly a function of how rapidly new exploration occurs over the near term.

The Texaco-Government of Ecuador $31 million Investment and Work Program signed in December presages the first significant new exploration in many years. In return for a settlement on all major outstanding operational and financial problems, as well as the guarantee of a sufficient future rate of return on investment, Texaco agreed to invest some $12 million in the new program. The goal of 210,000 barrels/day reaffirmed under the new accords, combined with a possible hardening of oil prices, should significantly increase Ecuador's 1978 oil export earnings. The improved relations between Texaco and the Government of Ecuador may induce other foreign petroleum firms to enter Ecuador.

The newly-constructed state oil refinery at Esmeraldas began to approach its capacity for output towards the end of 1977, covering a large part of Ecuador's domestic needs for refined products. Ecuador could become an exporter of refined products during 1978.

The U.S. firm Northwest, which holds a concession for natural gas exploration in the Gulf of Guayaquil, and the government continue their attempts to determine an economically feasible use for the gas. Almost all exploration remained frozen throughout 1977, but a satisfactory solution may be reached between the two parties early this year.

Total export earnings in 1977 were about $1.4 billion, only 6 percent above 1976's level. Apart from the decline in the value of petroleum exports, coffee earnings also declined in 1977 as local production was off and world prices softened. These and other declines were slightly more than offset by strong advances in exports of cocoa (raw and processed), seafoods, and industrial products.

Upsurge in imports

Imports for 1977 (actual basis) totaled approximately $1.3 billion, a strong 24.5 percent above 1976. The upsurge was due in part to the ending (effective beginning 1977) of the ban on automobile imports that was instituted in mid-1975. Even more, the acceleration seems attributable to the strong development of the Ecuadorean economy in 1977, especially the industrial sector. Liquidity for the purchase of many import items came from the increased money supply, large new external borrowings, and heavy internal deficit-financing of the central budget. The import boom is all the more impressive because it is taking place while imports remain under fairly substantial and widespread restraints. So long as the boom continues, there will probably be no further loosening of the restraints.

Ecuador exported $582.1 million worth of goods to the United States during the first 11 months of 1977 (up 22.3 percent over the comparable 1976 period), and the United States exported items valued at $497.5 million to Ecuador during the same period (up a hefty 33.7 percent over the comparable 1976 period). The United States, one of the few countries with which Ecuador enjoys a sizable trade surplus, remains the major trading partner of Ecuador in both directions.

Ecuador has had a balance of trade surplus every year since the start of the oil boom in 1972, but experienced a significant narrowing of that surplus in 1977. After reaching $259 million in 1976, the 1977 surplus is estimated at $80 million.

Historically, Ecuador attains a net outflow or rough equilibrium in its current-account balance, while achieving a net inflow in its capital account. Preliminary results for the 1977 balance of payments hold to this norm, leading to a favorable net balance of payments estimated at $130 million, down significantly from 1976's $180 million.

During 1977 Ecuador contracted for unprecedented loans from abroad — well above $1 billion, far more than the entire indebtedness of the country at the end of 1976. In view of the modest external public debt of $540 million at the end of 1976 (most of which was long-term), along with the exceptionally low (in Latin America) debt service ratio (annual earnings from export merchandise and non-factor services as a percentage of the external public debt) of 6.8 percent for 1976, it can be argued that Ecuador had ample capacity to borrow as it did to meet its great needs for infrastructure projects which will further fuel the economy.

Most of the 1977 borrowings were of a long-term nature, an important factor in Ecuador's scheduling of the repayments. Ecuador's short-term financial position remains strong, with net international reserves at the end of 1977 close to $546 million (equal to about five months of imports). The country's long-term financial soundness will depend on whether Ecuador uses the borrowings for productive works with relatively short start-up times, and whether petroleum production increases sufficiently to provide the capital for repaying much of the recent loans.

A primary monetary policy in 1977 (which is being continued) was to reduce the rate of growth of money supply, and of certain credit flows, in order to ease pressures on prices and the balance of payments. The policy succeeded: in 1977, money supply grew by an estimated 8-9 percent, and Central Bank credit by about 9-10 percent, well below the 38 and 12 percent increases, respectively, registered in 1976. This helped greatly to hold down the general rate of inflation in 1977 to 12.3 percent, slightly under 1976's 13.5 percent. Other 1977 policies to hold down the rate of inflation included a tough stance against wage increases, the liberalization of import curbs, and price controls on a number of key staples.

If not for the restraint on growth of money supply and credits, imports would undoubtedly have risen even more during 1977, and thus created pressure on the balance of payments.

For 1978, the Central Bank has announced policies of continuing to hold down the money growth rate, extending greater credits to export-oriented sectors, slowing down the resort to new foreign indebtedness, and channeling a greater distribution of credit resources outside the major centers of Guayaquil and Quito.

Since the last devaluation in 1970, the official rate of exchange has remained at 25 sucres for 1 dollar. The sucre has been one of the strongest currencies in Latin America, largely reflecting the petroleum boom. Foreign companies which register their capital with the Central Bank may repatriate funds at the official rate with no undue delays. Under Ecuador's laws, a foreign company may take out each year an amount of profit equivalent to up to 20 percent of its registered capital.

The official exchange market, handling roughly two-thirds of all international financial transactions, is used mainly for trade. An officially-recognized free market clears transactions for invisibles and capital movements. Free market monetary exchange in either direction remains unrestricted, in sharp contrast with the practice of many South American countries. Occasionally the Central Bank intervenes in the free market to bolster the sucre if and as necessary. The Bank has intervened only on the very rare occasions when the exchange rate to buy one U.S. dollar has risen above 28 sucres; usually, during 1977 and at present, the rate has hovered between 26 and 27.

Wages in the public and private sectors over the past two years have not increased in pace with the rise in the cost of living. The general minimum wage level, last raised in January 1976, is about $60/month. A number of mandatory fringe benefits including social security, profit sharing, end-of-year bonuses raise the real wage rate to about 60 percent more than the nominally fixed wage. Labor union members account for no more than 10 percent of a total labor force of about 2.4 million. Hard figures on unemployment and underemployment are not readily available, but presumably a significant under-utilization of labor prevails in the country.

The previously mentioned Government of Ecuador-Texaco agreements, ending years of dispute between the government and foreign oil companies, have significantly warmed the local investment climate. Current government policies toward foreign private investment can generally be described as favorable and forthcoming. In only a few sectors does the government require majority control to be held by Ecuadorean public or private investors.

The outgoing military administration is expected to make every effort to push a wide number of infrastructure projects before it gives way to the elected civilian government this summer. The civilian administration presumably will wish to give fresh impetus to current projects and some of its own. The current year should therefore be an exceptionally active one for construction.

Ecuador, now among the top ten Latin American markets for U.S. exports, should continue to be one of the fastest-growing markets in the Western Hemisphere for several years to come. The Ecuadorean market is growing even more rapidly for U.S. suppliers as a result, in part, of the recent weakening of the U.S. dollar, which is making U.S. products increasingly price-competitive.

The government has become concerned about its large trade deficits with Europe and Japan. Enjoying a substantial surplus in trade with the United States, officials are making no effort to restrain the dominant role played by the United States in Ecuador's imports and exports.

American products are generally preferred in the local market because of quality, durability, rapid delivery, good follow-up servicing, and easy accessibility to spare parts. Strong opportunities for U.S. sales of materials, equipment, and consulting/supervising services are arising from the infrastructure boom cited above.

U.S. firms should not be complacent about their opportunities for doing business in Ecuador, however, as European and Japanese suppliers are intensifying their efforts to capture a larger share of the Ecuadorean market.

Nigeria Announces Decision On Metric Labeling Issue

Reversing their stand once again, Nigerian authorities have stated unequivocally that all "packaged goods" entering Nigeria must be labeled solely in metric nomenclature as of April 1 (see *Commerce America* articles of Jan. 2 and Feb. 13). This includes all packaged goods already in Nigeria that will be sold on or after April 1 and goods currently on the high seas which will arrive on or after April 1. Last December, the Nigerian Government had stated that effective Jan. 1, all goods must carry metric markings exclusively. In January, the Nigerian officials reassessed their decision and deferred the exclusive metric marking requirement indefinitely.

Although no precise definition of "packaged goods" was given in the announcement, the Nigerian Standards Organization Director, D. Ogun, stated these include goods packaged for consumer sale, e.g., a box of tacks, but exclude unwrapped or unboxed consumer items such as automobile tires. All "non-packaged goods" can continue to have dual labeling for the moment although Ogun stated that dual marking will not be permitted indefinitely. Metric labels are permitted to be affixed over dual markings, in order to comply with requirements.

U.S.-Israel Foundation Invites Joint Research Proposals On Industrial Development

A joint U.S.-Israel organization has announced that it is prepared to assist firms of both countries in funding requirements for "joint non-defense industrial research and development activities that have significant commercial potential and that are of mutual benefit to the United States and Israel."

The Israel-U.S. Binational Industrial Research and Development Foundation (BIRDF) was formally established in May 1977 and endowed with $60 million to develop collaborative relations between U.S. and Israeli firms. The scope of industrial research and development activities which BIRDF may support includes all activities in the process through which an innovation becomes a commercial product, including, but not limited to, industrial R&D, product engineering and manufacturing start-up.

The first step in the award process is the joint submission of a preliminary proposal by commercial entities of both the United States and Israel. This proposal will be used by BIRDF as a means for deciding the extent and type of funding justified. In cases where the technical feasibility of a proposed new concept has been well-established and preliminary analysis indicates high commercial potential and large mutual benefits to Israel and the United States, BIRDF can supply funds of up to $10,000 to small firms to be used to prepare a final, more detailed proposal requesting additional funds. Larger firms that do not qualify for such funding will be asked to prepare a final proposal with their own resources if the proposed concept warrants.

In cases where there is significant technological or other types of uncertainty but where the potential returns appear to justify investment, intermediate awards of up to $100,000 may be awarded to resolve the uncertainties and prepare a more detailed feasibility analysis to be included in a proposal for additional funding.

The process through which award decisions are made and the general eligibility conditions for awards are set out in a BIRD Foundation publication, *Guidelines for Preparing Proposals*. A copy of this document may be obtained by writing Binational Industrial R&D Foundation, c/o Marc Aron, Government of Israel Investment Authority, 641 Lexington Ave., New York, N.Y. 10022; tel. 212-486-8554.

For additional information contact Executive Director, BIRD Foundation, P.O. Box 39104, Ramat Aviv, Tel Aviv.

Growing Middle Class Seen As Major New Asset In Central American Market

A good market, not plagued by bureaucratic red tape and currently strengthened by a growing middle class. This was the verdict on Central America that emerged from a recent conference in New Orleans that drew U.S. business executives interested in exporting and investment in that region.

Dr. Ralph L. Woodward, Jr., of Tulane University's Center for Latin American Studies, said the traditional argument that the "privileged elite" in Central America rule over the "impoverished classes" no longer applies.

Dr. Woodward added that although the classes at both ends of the scale still exist, the growing middle class is fostering change in governmental structures and promoting economic diversity in Central America.

CHANGING SOCIAL STRUCTURE—*The development of new skills to keep pace with the industrialization process is transforming the social milieu of Central America. The Inter-American Development Bank has contributed to this process by approving a number of loans to strengthen intermediate-level technical and professional education in agriculture, industry and trade throughout the region. Here, workers in San Jose, Costa Rica learn the intricacies of operating a power drill under training program financed by Bank loan.*

Dr. Salvador Juncadella, manager of the Law and Public Affairs Department of Esso Standard Oil in El Salvador, said commercial laws in Central America encourage investment and private enterprise. Dr. Juncadella advised U.S. firms to establish branches rather than subsidiaries in Central America, since many of the countries require annual board meetings to be held in the host country.

Walter Bastian, the U.S. Department of Commerce's Central American Specialist, stated that the commercial outlook in the region for U.S. suppliers is good. He added that the region has benefited from high coffee prices.

Bastian stated that "the Central American market is a relatively straightforward one in which to do business. Red tape and bureaucratic delays do exist, but not to the extent they do in other Latin American countries."

Business leaders were advised to make full use of public and private resources available to potential investors and exporters. Bastian stated that while the region does not offer as large a market as other Latin American countries, "this is offset by the general straightforward manner of conducting business in Central America. He added that "U.S. suppliers to Central America do not generally have to deal in any environment which requires prior import deposits or import permits."

Attendees learned that the economies of Central America have rebounded from the recession of 1974-75. International reserves are high and the growth rate for the region is approximately 6 percent. Numerous export opportunities exist for U.S. suppliers of energy systems, transportation equipment, construction and building supplies and equipment, health care equipment, communications systems and equipment and agricultural machinery, fertilizers and pesticides.

Economic activity in Panama, depressed in 1977 as a result of the uncertainty over the new Canal Treaties and public sector austerity, should rebound moderately in 1978. The economy is expected to achieve a 3 percent growth in GDP in 1978, a figure which could increase as a result of ratification of the treaties. Despite Panama's sluggish economy, the potential for U.S. business continues to be good as a result of the country's heavy reliance upon imported consumer and capital goods.

Bastian noted that the commercial climate in the region is good and that the Central American countries have "an excellent track record in honoring foreign obligations despite a frequently changing political scene." He added that financing is becoming, and in some cases already is, the overriding factor in successfully concluding business deals.

Thibaut de Saint Phalle, a board member of the U.S. Export-Import Bank, told the conference that "as far as Central America is concerned, we have no country quotas and no exposure limits." Eximbank, he said, views the region as an attractive one for loans in health care, communications, energy and forestry projects.

The Third Annual Central American Conference was sponsored by the International Trade Mart of New Orleans, the U.S. Departments of Commerce and State, and several New Orleans and Latin business and trade organizations.

NOTE: The Department of Commerce has a variety of information available to U.S. suppliers interested in taking advantage of export opportunities in Central America. It may be obtained from Walter Bastian, U.S. Department of Commerce, ITA/BED, Room 4031, Washington, D.C. 20230, or phone 202-377-3636.

Honduran Decree Strengthens Agency Termination Rules

Honduras has enacted a new decree regulating foreign and domestic agents, distributors and representatives.

Decree No. 549 (which supersedes Decree No. 50 of Oct. 16, 1970) is more sweeping in its regulation of agents and representatives than the prior law, and sets stricter rules for the termination, or refusal to renew, representational agreements. It specifies the following circumstances to be "just cause" for termination or refusal to renew a representational contract: 1) the agent's failure to discharge his contractual or legal obligations, 2) a decrease in sales or distribution of goods due to the agent's negligence or incompetence, 3) any action or omission by the agent resulting in damage to the principal's business, or 4) the agent's insolvency or bankruptcy, as well as the liquidation or termination of his business.

The kind of damages an agent may claim as compensation when his termination or dismissal is not justified includes: expenses incurred by the agent in setting up the agency, the cost of items purchased for the operation of the agency, an amount equaling the previous five years' gross profits earned by the agent under the contract and the cost of the merchandise the agent has on hand at the termination of the relationship. The actual measure of damages may be determined either by arbitration or by Honduran judicial proceedings. The decree requires that only Honduran law and courts may be used to decide disputes over representational contracts.

Copies of an unofficial translation of Decree 549 are available from the Foreign Business Practices Division, Office of International Finance and Investment, Department of Commerce, Washington, D.C. 20230. Phone 202-377-2828.

INTERNATIONAL BUSINESS REPORTS

Exporters' Encyclopedia—World Marketing Guide. 73rd annual edition. Published by Dun & Bradstreet International. More than 1,600 pp. $210, includes twice-monthly supplementary bulletins issued throughout the year.

Provides information on selling and shipping to more than 220 world markets. Contains current data on overseas import regulations and requirements on export documentation on a country-by-country basis.

More than 1,200 pages are devoted to individual country market data. The remaining pages present information on trade definitions, shipping practices, postal and communications data, plus names, addresses and telephone numbers of U.S. Government agencies, state trade promotion offices, chambers of commerce, trade associations, foreign trade clubs, and service organizations involved with international business.

Write: Exporters' Encyclopedia—World Marketing Guide, P.O. Box 3224, Church St. Station, New York, N.Y. 10008.

Near East/North African Business Costs. January. OBR 78-02. Prepared by Kathleen Keim of Commerce's Industry and Trade Administration. 41 pp. 50 cents.

Based on data compiled by U.S. Embassies in the Near East/North African region. Includes information by country on the cost of office facilities and personnel, hotel and restaurant facilities, housing, transportation, education and communications, as well as currency exchange rates and regulations, business hours, and U.S. representation.

Write: Any Commerce District Office, or Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Trade Regulations of Burundi, Central African Empire, Chad, Gambia, Malawi, Mali, Rwanda, Seychelles and Somalia (November 1977, OBR 77-59); Trade Regulations of Benin, Guinea, Malagasy Republic, Mauritania, Mauritius, Mozambique, Niger, Togo, Uganda, and Upper Volta (June 1977, 0BR 77-28). Both prepared by J. Marc Chittum of Commerce's Office of International Marketing. 50 cents a copy, or $36.50 for annual subscription.

Part of a series of Commerce publications focusing on foreign market opportunities for U.S. suppliers. Included in each is such information as the country's trade policy, currency, technical standards, import controls, duties and taxes on imports, special customs requirements, and information contacts.

Write: Any Commerce District Office, or Superintendent of Documents, U.S. Government Printing Office, Wash., D.C. 20402.

The Directory 1977-78. $18.

Contains a fully updated listing of 1,550 affiliates of U.S. companies in Belgium, as well as other information that can help in developing insight into the Belgian market.

Write: The Belgian American Chamber of Commerce in the U.S., Inc., 50 Rockefeller Plaza, Suite 1003-1005, New York, N.Y. 10020.

Journal of International Business Studies (JIBS). Joint publication of the Academy of International Business and Rutgers, the State University of New Jersey, Graduate School of Business Administration, Newark. Fall/Winter 1977 issue, $5; annual subscriptions, $20.

The current issue features a number of research articles on East-West trade, which evaluate industrial cooperation agreements, ways of assessing market potential, level of technology, exports to the Soviet Union, opportunities for trade with China, and other subjects. The Spring 1978 issue will contain articles on export management.

Write: Florence M. Smith, Assistant to the Editor, Journal of International Business Studies, Rutgers University, Graduate School of Business Administration, 92 New St., Newark, N.J. 07102.

Calendar For World Traders

April 5—Milwaukee—Seminar on Patents and Trademarks in Foreign Trade, First Wisconsin Center. Sponsors: Milwaukee Patent Law Assn., Commerce District Office. Information: 414-291-3473.

April 5—Spartanburg, S.C.—Marketing in Iran seminar, Sheraton Motor Inn. Iranian and U.S. Government officials will speak. Information: 803-765-5345.

April 5-6—Chicago—World Trade Conference, Continental Plaza. Frank A. Weil, Asst. Secretary of Commerce for Industry and Trade, will speak. Information: 312-786-0111.

April 5-7 — Los Angeles — Seminar on Fundamentals of Finance and Accounting for the Non-Financial Executive. Presented by The Wharton School, University of Pennsylvania. Information: 800-223-7450 (in New York State, 212-953-7262).

April 6—Memphis—International Business Seminar on Industrial Property Rights, Memphis State University. Speaker: Rene D. Tegtmeyer, Asst. Commissioner of Patents. Sponsors: Memphis State Univ., Mid-South Exporters' Roundtable, Commerce District Office (901-521-3213).

April 6 — Darien, Conn. — World Market Seminars: Brazil, Mexico and Venezuela, and Latin America—Prospects and Problems. Commerce speakers include Thomas K. Brewer and Thomas R. Jacka, Office of International Marketing. Host: Stamford Area Commerce and Industry Assn. Information: Commerce District Office, 203-244-3530.

April 7 — Seattle — Export Development Seminar — Japanese Market, Hilton. Commerce's Irwin Nathanson will discuss Pacific Northwest Export opportunities to Japan. Information: 206-447-7263.

April 7-9—Lincoln City, Ore.—World Affairs Council meeting. William Clarke of Commerce's Bureau of East-West Trade will speak.

April 10—Seattle—Canadian Marketing Seminar, Chamber of Commerce. Information: Commerce District Office.

April 10—Knoxville—East Tennessee International Commerce Club meeting, Holiday Inn.

April 11—Richmond, Ky.—Export Conference. Sponsored by Eastern Kentucky University, Kentucky Department of Commerce and Memphis District Office (901-521-3213).

April 11 — Houston — Commerce's Frank Weil will speak at World Trade Conference of the Southwest.

April 11—Louisville—Kentuckiana World Commerce Council meeting, Holiday Inn Brownsboro Northeast.

April 12 — Chattanooga — Doing Business with West Germany seminar, University of Tennessee. Commerce's Velizar Stanoyevitch will speak. Sponsors: University of Tennessee, Chattanooga World Trade Council, Memphis District Office (901-521-3213).

April 12—New York—FCIB Book Exporters Credit Group meeting, Summit Hotel.

April 12-14 — Dallas — Same program as April 5-7, Los Angeles, above.

April 13—New York—Overseas Automotive Club luncheon meeting, Summit Hotel.

April 13—Columbia, S.C.—Seminar on how to use your freight forwarder, customs house broker, steamship agent, state ports authority representative more effectively, Carolina Inn. Midlands International Trade Club. Registration: 803-758-3531.

April 13-14 — Los Angeles — Seminar on Foreign Market Entry Strategies, presented by the Wharton School of the University of Pennsylvania. Registration: 212-253-7262.

Worldwide Business Opportunities

International trade specialists in the Department of Commerce and Foreign Service Officers in the U.S. Embassies and Consulates around the world are continually developing specific commercial opportunities through which American companies can find buyers, agents, partners or investors abroad. One of the major means for communicating these opportunities promptly and accurately to the U.S. business community is through the columns of this magazine.

The section that follows presents details about licensing and joint venture proposals, opportunities to sell to foreign enterprises, major construction and expansion projects, and visiting buyers.

Licensing, Investment Abroad

FRANCE—Seeks licensing arrangement for manufacture of **electronic instrumentation for pleasure boats and kits for construction of small aluminum or steel pleasure boats** for use by amateurs. Firm is manufacturer of electronic components for military use, industrial metal and sheet metal working. Established 1888. Luc Laurent, Pres. & Gen. Mgr., Ets Laurent S.A., 28 Rue Ja Jacquart, 77400 Lagny; telephone, 430-6874; telex, 270105 FTX FRA. P-78178.

0189—SIERRA LEONE—Local firm now being formed seeks licensing and/or joint venture collaboration with U.S. company for marketing assistance to export **medicinal herbs used in preparation of perfumes and medicines.** Stephen Peter Jassinger, Pres., Exel Ltd., P.O. Box 846, Freetown; telex, 3231 Freetown; cable, STENILEX, Freetown; telephone, 30335. P-78223. OPIC.

1012—BOLIVIA— Bolivian company seeks $3 million loan or part loan, part investment to **develop Chacarilla copper mine to produce electrolytic grade copper and/or bronze and brass** as well as to improve mill and change system of mining. Chacarilla is a sedimentary, red bed sandstone deposit reported to have 187,000 m.t. of 2.37% copper proved reserves and 56,000 m.t. of 1.99% probable reserves. Mine, about 3 hours from La Paz, has camp, mill, developed mine, other infrastructure. Fernando Pero, Group Minero Chacarilla, P.O. Box 750, La Paz; telex, BX 3574. More information available from Regional Resources Attache, U.S. Emb., La Paz, APO N.Y. 09867. WTDR. P-78221. OPIC.

2033—THAILAND—Joint venture partner desired for establishing plant to produce **canned pineapple.** Firm also wants to purchase juice-concentrate-making equipment. U.S. partner would have 10% to 20% equity and contribute marketing expertise. Additional information available from Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington D.C. 20230. Prasert Leelayoova, Siam Agro-Industry (Pineapple) Co., Ltd., 3rd Floor, Nai Lert Bldg., 888 Petchburi Rd., Pratunam, Bangkok 4. P-78193. OPIC.

2035—WEST INDIES—Firm seeks joint venture to produce **hot pepper sauce, crushed hot peppers and hot peppers preserved in brine.** Company produces various food products and markets fresh fruit. Employs 50. Parry W. Bellot & Co. Ltd., P.O. Box 22, Cork St, Roseau, Dominica. P-78212. OPIC.

2065—THAILAND— Prominent Thai investor group seeks joint venture partners or technical assistance to produce **confectionery products.** Pridiyathorn Devakula, V. Pres., Business Development Dept., Thai Farmer Bank, 142 Silom Rd., Bangkok. P-78210. OPIC.

2099 — ARGENTINA — Group of grape farmers is interested in acquiring technology and equipment for installation of **glucose and fructose plant.** Plant will process 43 million liters of concentrated grape must per harvest. Will be first of series of four stages in development of industrial complex in San Juan. Alberto M. Marcos, Pres., Pamahi S.A., Av. R. Saenz Pena 991, Piso 6°A, 1035 Buenos Aires. Telephone: 30-6052. P-78211.

2211, 2221, 2291 — FRANCE — Company seeks licensing rights to produce **fabrics or felts for filtering of liquids used in manufacture of sugar, titanium oxide, phosphoric acid and paint, and for filtering sewage.** Firm is manufacturer of fabrics and felts. Established in 1811, employs 300. Marketing area outside of France includes Europe, Africa, Pakistan, India. Sales 1976, $8.5 million. Robert Veron, Pres., Dollfus et Noack, B.P. 1436, F 68056 Mulhouse Cedex. Cable, DOLLDET MULHOUSE; telex 881805 F DOLNO; telephone, 89-46-27-41. P-78194.

2431, 2500 — EGYPT — Government-controlled company desires joint venture to manufacture **prefabricated wooden doors and windows, wooden household furniture and wooden office furniture.** Some products will be exported to neighboring Arab and African countries. Company would furnish land, buildings, lumber, management, marketing outlets. U.S. partner would provide woodworking machinery and know-how. Established 1962 as result of merger of all lumber importing concerns in Egypt, company employs 2,000. Magdy E. Dardiri, Chmn., Mng. Dir., Societe Commerciale Des Bois FABAS, 1 Rue Sit Misr, Wardian, Alexandria. P-78197. OPIC.

2511—GHANA — Well-established timber firm seeks technical know-how for manufacturing **knocked-down wood furniture.** Products will be exported. Construction of factory has been completed and some machinery has been installed. Factory is located in Kumasi. Raw materials are available. Company employs 400, has good reputation. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78198. OPIC.

2531—FRANCE — Meduim-sized company seeks licensing arrangements to produce **cafeteria and conference room furniture,** or other products complementary to its present line. Firm manufactures steel tubes, bicycle parts, tubular furniture. Also controls affiliated firm which produces outdoor games. Established 1923, employs 300. Georges Souvignet, Pres., Societe Souvignet S.A., Z.I. Bonson, 42160 Andrezieux-Boutheon. P-78199.

2542, 2522—GERMANY—Seeks licensing arrangement for manufacture of **metal commercial and office shelves and tables.** Firm is also interested in production of related products such as **commercial display and show window devices.** Herr Hoener, Mgr., BKL Einrichtungs GmbH, Postfach 3171, 4150 Krefeld 1. Telephone: 2151/399978. P-78179.

2641—GERMANY—Seeks licenses to manufacture newly developed **insulating and self adhesive (masking) tapes.** Firm wants to expand its current production of insulating and adhesive tapes. Established in 1903, company employs 70, Hans Kromberg, Fritz Kromberg-Bandfabrik, Rosseggerstr. 17-25, 5600 Wuppertal 2. P-78180.

2819, 2869, 2891—GERMANY—Seeks to license U.S. technology to manufacture **adhesives, raw materials for lacquer and varnishes, and general industrial chemicals and intermediate products.** Company will also consider joint venture operations in these sectors. Established 1966, firm is one of Western Europe's leading producers of adhesives used primarily in particleboard and furniture industry. It has 250 employees, sales of 60 million deutschemarks in 1977. Firm wishes to hear from manufacturers rather than consultants or brokers Dr. Hermann Josef Gerber, Mgr. (Generalbevollmachtigter), Chemische Werke Saar-Lothringen (CSL) GmbH, D-6643 Perl-Besch/Saarland. Telephone: 06867-811. P-78201.

2842, 2865, 2899—CANADA—New chemical company seeks U.S. partner to provide $2.25 million to purchase closed brewery in Prince George, B.C. to produce **antifreeze, windshield washer solvents, naphtha, deodorants, cleaners and related products.** U.S. partner would receive 49% of project's equity. Proposal is heavily dependent on Canadian company's receiving Canadian Department of Regional Economic Expansion grant of $768,000 toward purchase of brewery which is now in receivership. Prospects for receipt of grant are not known. Company, Northland Chemicals Ltd., is now setting up facilities to bottle products listed above. For more information, contact Northland's marketing representative: Roberton-Holm-Hex-White & Assoc., 6962 Buller, Burnaby, B.C.; telephone 604-438-912?. P-78224.

2851, 2869—UNITED KINGDOM — Seeks licenses to manufacture **surfactants and organic solvents; also paints and allied products for do-it-yourself decorative market.** Firm will also consider sole distribution arrangements for these items. Established 1919, firm has 55 employees and annual sales of 2 million pounds sterling. John Cottrell, Dir. Wilcot (Parent) Co. Ltd., Alexandra Park, Fishponds, Bristol BS16 2BQ, England. P-78222.

2869 — GERMANY — Seeks licenses to manufacture **liquid fuel additives** to clean

auto carburetors and engines in tune-ups and to reduce knocking. Established 1963, has 20 employees, annual sales of 3.5 million deutschemarks. Is a dealer in automotive equipment and accessories. H&E Clauberg, Kottendorfer Str. 41-43, 5650 Soligen 11. P-78200.

2899—INDIA—Seeks technical know-how or joint venture agreement with U.S. firm to establish **photographic grade gelatin plant** in State of Jammu and Kashmir. State reportedly will make available all essential infrastructural facilities and offer some financial assistance. Indian firm states that it will be able to obtain letter of intent from Government of India for plant producing 2,000 m.t. per day if foreign joint venture partner is willing to purchase entire output for export. Although no photographic grade gelatin is produced in India, domestic sales are minimal. Firm produces paper, chemicals and oils, and is part of the Thapar Group of companies, which is among top ten industrial conglomerates in India. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78219. WTDR. OPIC.

3229—INDIA—Seeks technical know-how to produce **continuous filament E-glass fiber through direct melt process.** Prospective collaborator must also supply requisite machinery. Financial participation is not expected. Firm was established 17 years ago as government agency responsible for promotion of industrial development in State of Kerala. For additional details, contact Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78207. OPIC.

3295 — TANZANIA — Seeks joint venture arrangement for establishment of **kaolin refining plant.** Feasibility study has been prepared. According to study, recommended capacity is: kaolin-sand separation plant of 250,000 t. per year (open cast mining) and a kaolin (wet) processing plant for 50,000 t. per year. Eighty % of production is to be exported. Company states that kaolin is present in 100-sq.-km. area at Pugu Hills, about 20 mi. from Dar Es Salaam. By conservative estimates, the 5 sq. km. area that has been prospected has reserves of 26 million t. of sandstone containing about 6.5 million t. of kaolin. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D. C. 20230. P-78181. OPIC.

3315—INDIA—Seeks technical know-how to manufacture **precision wire profiles such as piston ring wire, lickerin wire (saw tooth type) and other bar and wire profiles for industrial applications.** Firm is also seeking assistance for purchase of balancing machinery, jigs and fixtures, and toolroom equipment required for project. Firm also desires in-plant training for its technical personnel by American partner. Firm's facility at Aurangabad is equipped with medium-sized rolling mill, galvanizing plant, metal hardening and tempering lines, tool-room, metal punching equipment, small wire drawing plant and laboratory for testing physical properties of wire profiles. For additional background information, contact: Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D. C. 20230. P-78208. OPIC.

3500—FRANCE—Manufacture of air conditioning equipment seeks licenses to manufacture following products: **heat exchangers; material handling equipment** such as hooks and clamps for metal sheeting and handling ingots; **sugar making machinery; brewery equipment; mixers, dryers, filters and strainers, valves, burners, grinders, generators, evaporators and air conditioners for chemical industry.** Employs 90; annual sales, $5.4 million. Good reputation. Mr. Levivier, Gen. Mgr., Ateliers de Construction Gohin-Poulenc, 11 Rue due Docteur Arnold Netter, 75012 Paris. Telex, 692 811; telephone, 432-0064. P-78220.

Licensing and investment proposals from foreign firms are listed in these columns. Specific product interests in each proposal are highlighted in bold type to facilitate identification and each proposal is preceded by the appropriate four-digit product number taken from the Standard Industrial Classification (SIC) Manual.

Background information on opportunities abroad and assistance on overseas investments are available from the Overseas Products and Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. "P" numbers should be used when responding to any of the specific proposals listed.

WTDR indicates that a World Traders Data Report containing financial and background information on the foreign firm is available for $15 from the Export Information Division, Room 1033, U.S. Department of Commerce, Washington, D.C. 20230. WTDR request forms may be obtained from any Commerce District Office.

OPIC indicates that the country involved is eligible for investment insurance coverage and financing from the Overseas Private Investment Corporation. Information regarding applicable coverage may be obtained from OPIC, Washington, D.C. 20527.

3523—GERMANY—Firm seeks licensing rights to produce **sorting machines** for coffee beans, cherries and similar fruit based on method of light and color filtering. Company is manufacturer of machines and engines, employs 40 persons; established 1950. Paul Engeler, Maschinenbau und Antriebe, Am Steinkreuz 5, 4401 Saerbeck. P-78214.

3531 — ISRAEL — Seeks license or joint venture to manufacture **hydraulic truck mounted cranes.** Established 1965, firm presently fabricates various types of metalworking and military equipment for Israel Minister of Defense. Facilities are capable of producing 1,000 to 1,500 mounted cranes annually. Plant is in development area and is entitled to special government incentives. Eitan Prutiz, Pladot Eitan Manufacturing Ltd., North Industrial Zone, POB 877, Ashdod; telex, 32470 COIN-IL; telephone, 055-23267. P-78196. OPIC.

3545 — GERMANY — Seeks licensing arrangement and technical know-how for production of **tools, especially for maintenance of conveyor systems.** Areas of particular interest are **impact and pneumatic special tools such as screw drivers, nutrunners, wrenches, pliers bits, power extentions, tool chests.** Company maintains sales and production outlets in Iserlohn, Salzburg, and Holland. Principal customers are automobile industry, chemical works and German army. Established 1919; employs 300. R. Leitmann, Mgr., Carl Walther GmbH KG, Hahnerberger Str. 82, 5600 Wuppertal 12; telephone, 0202/40777; telex, 08591448. P-78218.

3551 — FRANCE — Firm seeks licensing rights to produce **meat processing and preparation machinery and equipment for slaughterhouses and meat processing plants.** Company imports machinery for meat industry; manufactures automobile accessories. Established 1950; employs 12. Mr. Grosskreuz, Commercial Mgr., Industrade, 5 quai Koch, F 67000 Strasbourg. Telephone, 88-36-00-63. P-78213.

3559 — INDIA — Medium sized firm seeks license, joint venture to expand production of **pollution control equipment.** Currently manufactures axial fans, bag filters, cyclone separators, fume absorption systems, other products. Operates well equipped plant in Madras. Firm's director plans to arrive in U.S. about April 10 for eight-week visit. Would like to meet with any American companies interested in manufacture and distribution of their equipment in India. V. R. Anil Kumar, c/o Thomas A. Gamblin, Gamblin & Smith, Suite 301C 4915 Interstate 55 Northwest, P. O. Box 9582, Jackson, Miss. 39206. Indian concern is Acme Industrial Corp., 34 A Mount Rd., Madras 600 032. P-78217. OPIC.

3559 — SPAIN — Well established firm is interested in license and/or joint venture arrangement to manufacture **equipment for complete molding lines for foundry industry.** Firm presently produces molding boxes, furnaces and ladles for foundries. Established 1968; enjoys good business reputation. Fernando Perez, Mng. Partner, Talleres Larrondo, S.L., Barrio Elecholerri, Lujua, Bilbao. P-78206.

3559 — UNITED KINGDOM — Seeks to manufacture under license **waste gas scrubbing system to be incorporated in its incineration system for eliminating gases and liquids.** Company, chemical engineering and contacting firm is member of Robert Jenkins Group. Group has diversified interests in chemical, petrochemical, petroleum and construction industries. Richard Milns, Export Exec., Hygrotherm Engineering Ltd., Botanical House, 1 Botanical Ave., Talbot Rd., Manchester M16 OHL, England. P-78182. Further details available from Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington D. C. 20230.

3561—GERMANY—Seeks licenses to produce **magnetic pumps used for galvanization and chemical processing.** Currently company manufactures permanent magnetic products and reports high demand on local market. Principal customers are automobile industry, and engine and gear manufacturers. Firm employs 25. Egon Kluthe, Magnet-System-Bau, Postfach 100402/Lehner Str. 15, 5650 Solingen 1. Telephone, 02122/18881; telex, 8514599. P-78190.

3561 — GERMANY — Large producer of pumps, valves and fittings seeks cross licensing agreements. Is interested in exchanging technology in area of **centrifugal pumps for chemical and other industries.** Established 1857, firm employs 800 and

maintains efficient distribution network throughout Germany. It also has subsidiary operations in Sweden, England, France, Italy. Is interested solely in contacts with U.S. manufacturers. Gerhard Presber, Sales Mgr.—Pumps, Rheinhuette vormals Ludwig Becker & Co., Rheingaustr. 96-100, D-6200 Wiesbaden-Biebrich. Telephone: 06121-604263. P-78202.

3569—UNITED KINGDOM—Seeks license to produce **laminating machinery for packaging industry.** Equipment should incorporate hot melt process and be applicable to roll fed material about 36 in. wide. Company builds pattern embossing machinery for wall coverings. Employs 80. Is represented by Roy Mann, Senior Consultant, Fulwer Research Institute, Stoke Poges, Slough, Bucks, England. P-78183.

3578—GERMANY—Well known producer of filing systems and accessories, shelving and other office supplies seeks cross licensing agreements. Is interested in obtaining technology to manufacture **microfilm and computerized filing systems.** Company offers its system of electrically operated, mobile rolling shelves which it claims provide storage area savings of up to 50%. Founded 1918; employs 1,300. Herr Schuler, ELBA-Ordner-Fabrik, Postfach 100129, 5600 Wuppertal 1. Cable, ELBAREGISTRATUR; telephone, 0202-3811; telex, 8591567. P-78205.

3613, 3585 — SAUDI ARABIA — Is interested in joint venture to assemble **low voltage panelboards and distribution boards and refrigeration compressors for cold storage rooms.** Saudi firm would be end-user and retail distributor for the products. Company owns building with 2,000 sq. m. of floor space with ample area for building expansion. Mohamed Al-Kahtani, Capital Lights Est., P.O. Box 2632, Riyadh. Cable, LECTRITION; telex, 20333 KAHTANI SJ; telephone, 34900, 34080, 26390. P-78195. OPIC.

3622 — SWITZERLAND — Prominent industrial group with diversified manufacturing program and worldwide distribution seeks licensing agreements. Firm's well equipped, modern electronics division, which produces most automatic industrial controls for group, wants to expand and diversify. Is interested in producing following under license: **process-control-related universal interfacing systems for use within automatic control and data processing networks; process control related peripheral data acquisition and transmission devices, possibly using advanced microprocessor technology; universal type programmable and compact process controls for use with machine tools, textile machinery, chemical processing plants and other applications; and special components for use with automatic process control systems** (not electronic components). Firm can provide its substantial experience as well as consulting and related engineering assistance. Its worldwide sales network can also be used in marketing the controls produced under license in those countries in which U.S. licensor is not established. Swiss group employs 37,000; has excellent reputation. Is particularly well known for its textile machinery and marine diesel engines. H. P. Fankhauser, Sales Mgr., Sulzer Bros. Industrial Electronics Div., 8401 Winterthur. P-78215.

3643 — GERMANY — Sizable producer of electric and ultrasonic equipment is interested in obtaining and granting licenses for manufacture of **switches for electric and electronic applications.** Products of particular interest include push button, slide, miniature slide and main switches. Also new types of low voltage switches. Will also consider cross licensing arrangement. Established 1897, firm employs 800. Good business, financial reputation. G. Bruns, Schoeller & Co. GmbH, Moerfelder Landstr. 115-119, 6000 Frankfurt/M-70. Telephone, 0611-60661; telex, 411 041. P-78184.

3646—GERMANY—Interested in licenses to produce **commercial lighting fixtures** used in ceilings of stores, banks, offices. Firm markets throughout Germany and wants to expand its product line. Employs 25. Herr Unger, Hartmann GmbH, Maerkische Str. 82a, 4600 Dortmund 1. Telephone: 0231/574467. P-78185.

3661—UNITED KINGDOM—Major electronics firm seeks license to manufacture **frequency synthesizers in the 1 to 66 MHz range for use in military type communications gear.** Production would be centered in specialist subsidiary currently making quartz crystal oscillators. British concern is part of group engaged in production of TV and radio receivers, record players, appliances, telecommunications equipment and electronic components. Employs 350. S. A. Bergen, Pye of Cambridge Ltd., St. Andrews Rd., Cambridge, England. Telephone: 0223-58985, ext. 267. P-78186.

3711—SOUTH AFRICA—Manufacturer of vehicle bodies and special purpose "bulk feeder" container type of equipment, seeks contact with U.S. licensor for manufacture of specialized **self-emptying "bulk feeder" semi-trailer tankers.** Container would have bulk capacity of up to 21 tons, in 3 separate compartments, each of which must be capable of self-emptying. Contents would be dry bulk, such as grains, cattle feeds granular or similar. Unloading method required would not be of tipping or of pneumatic type and container would be moved by mechanical horse or prime mover unit. Company is presently producing between 5 and 7 "auger type unloading" carriers monthly. Arie Roos, Regional Sales Mgr., Busaf West, Bus Bodies (Cape) (Pty) Ltd., P.O. Box 60, Bellville 7530, Republic of South Africa. Telegrams, "Superbody" Bellville; telex, 57-7856. P-78203.

3721, 3729—FRANCE—Seeks to contact U.S. manufacturers interested in subcontracting complete **aircraft or parts.** Established 1956, employs 434; operates 23,000 sq. m. plant. Jean Pichon, Asst. Gen. Mgr., Reims Aviation, B.P. 2745, 51062 Reims Cedex; telex, REMAVIA 830-754; telephone, 26-49-10-88. P-78204.

3823—FRANCE—Seeks licensing arrangement for manufacture of **infrared temperature systems and primary temperature sensors.** Established 1949. Enjoys good commercial reputation. Mr. Charles, Commercial Mgr., SIDETEL, 155 Rue Du Docteur Bauerr, 93400 St. Ouen. P-78187.

3823 — GERMANY — Reputable manufacturer of optical (profile) projectors and digital measuring systems, has expressed interest in obtaining U.S. licenses to manufacture **sophisticated inspecting, measuring, and testing instruments and systems for industry.** In particular, firm would be interested in licenses for **laser measuring systems, comparators (gauges), and opto-electronic measuring equipment in general.** Established 1951. Dr.-Ing. Werth GmbH, c/o Horst M. Weber, Siemensstr. 19, 6300 Giessen. Telephone, 0641-76014; telex, 04 82 917. P-78216.

3841 — FRANCE — Manufacturer and distributor of medical equipment, seeks licensing rights to manufacture **blood pumps, nutrition pumps, disposable cuffed tracheal catheters, peripheral nerve stimulators, prosthetic heart valve and automatic monitoring of arterial pressure.** Established 1899; enjoys good commercial reputation. Mr. Fournier, Commercial Mgr., Robert & Carriere, 5 Bis Ave. Maurice Ravel, 92160 Anthony. Telephone: 666-70-50; telex, 250014. P-78188.

3841—GERMANY—Well known manufacturer of medical and dental instruments wishes to expand its production program and seeks licenses from U.S. manufacturers of new-to-German-market **medical and dental instruments or complementary products.** Frau U. Idelberger, Karl Hammacher GmbH, Postfach 120209, Steinendorfer Str. 27, 5650 Solingen-Aufderhoehe. Telephone, 02122/77166; telex, 8514803. P-78189.

3993 — GERMANY — Seeks to obtain licenses and/or technical know-how for manufacture of **newly-developed metal sign stamping processes or techniques.** Firm is well-known manufacturer of traffic and industrial warning signs. Established 1934. Ernst Schoen, Heinrich Klar Schilder und Etiketten-Fabrik GmbH KG,

Important Notice

Most member countries of the League of Arab States employ a secondary boycott against foreign firms which undertake certain specific types of business relationships with the State of Israel. The Commerce Department will not disseminate nor make available for inspection any tenders or trade opportunity documents which contain conditions intended to support such boycotts, or which are based on documents known to contain such provisions. Trade or investment opportunities published herein are not presently known to be subject to such conditions. However, it is possible that U.S. firms responding to opportunities from Arab countries may be asked at some stage of a transaction to participate in an Arab boycott-related restrictive trade practice as defined in the Department's Export Administration Regulations (15 CFR, Part 369 et. seq.).

Firms are reminded that it is the policy of the United States (a) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (b) to encourage and request U.S. concerns engaged in the export of articles, materials, supplies, or information to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting such restrictive trade practices or boycotts. Accordingly, U.S. concerns receiving such requests to participate in a restrictive trade practice or boycott are encouraged and requested to refuse to comply with them.

Firms are further reminded that U.S. concerns receiving requests to participate in a restrictive trade practice or boycott must report such request to the Department of Commerce in accordance with Section 369.6 of the above-cited regulations.

Neuer Weg 12-16, 5600 Wuppertal 1. P-78191.

5912—BRAZIL—Large drugstore group seeks investment of $2 million to increase its working capital and number of stores and to expand market. Group is composed of four elements: chain of 24 drugstores established in 1945; wholesaler of medicines and cosmetic products established in 1966; a fabricator of basic medicines and packager of medical supplies established in 1963; and data processing and administrative organization established in 1973. Abraham Birmann Sobrinho, Pres., Avenida Missoes, No. 6, 90000 Porto Alegre, RS. P-78154. WTDR.

7011 — KOREA — Construction company seeks U.S. collaboration to establish **hotel** on Yoido Island. Hotel will contain 60-70 stories and have upward of 700 rooms. U.S. investment and/or management is desired. U.S. involvement could also include project design and consultant services, construction supervision, supply of hotel equipment and furniture. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D. C. 20230. P-78209. OPIC.

Kenya Trade Fair, New York

U.S. exporters and manufacturers can view a comprehensive exhibit of Kenyan industrial products and handicrafts on May 9-13 at the Coliseum in New York. The trade fair, Kenya's first in the United States, will focus on both the Kenyan and U.S. markets and on licensing, franchising and joint venture opportunities in Kenya in areas such as fruit, vegetable, meat and fish processing and other agribusiness, minerals, paper and packaging products, pharmaceuticals, health care, leather working, sporting goods, and handicrafts.

Business opportunities related to possibilities for production and assembly of light industrial machinery and equipment in Kenya's expanding manufacturing sector will be discussed at the fair's May 10 workshop. For further details, call the Commerce Department's Country Marketing Manager for Africa on 202-377-3865.

Licensing In U.S.

For additional information on these opportunities to manufacture foreign firms' products in the United States under an investment, joint venture, or licensing agreement, write to the Domestic Investment Services Staff, Bureau of Export Development, Room 4020, U.S. Department of Commerce, Washington, D.C. 20230 (202-377-5361), referring to the appropriate file number.

Investments

GERMANY — Saw blades. Company is seeking sites to manufacture its round saw blades and hard metal pieces for sawteeth. Company wants to start with U.S. assembly line of 6-8 employees. First phase investment spending is estimated at $500,000. F. G. Grass, Grass & Schellenberg GmbH KG, Kratzberger Str. 10, 5630 Remscheid 14. File 3803.

GERMANY—Electronic switches, relays. Firm seeks facilities (production, office and warehouse) for manufacture of its electronic switches and relays used in textile machinery industry. Mr. Scharpenack, Scharco Elektronik, Scharpenack GmbH KG, Koenigsberger Str. 5-17, 5600 Wuppertal 2. File 3804.

GERMANY—Automobile parts and accessories. Company seeks U.S. production facilities for manufacture of its plastic and metal automobile parts and accessories, e.g., light frames, bumpers, mirrorframes. Company expects to invest roughly $7 million. U.S. Con. Gen., att'n R. Heumann, APO 515, New York, N.Y. File 3805.

GERMANY — Leading manufacturer of rolling scaffolding towers (up to six ft.), which can easily be taken apart and just as easily assembled, is interested in taking over an American company, preferably engaged in production of aluminum metal products or semi-finished products. U.S. company must have experience in manufacture of items built from steel and aluminum profiles, preferably tubes; and experience in galvanizing steel products and forming profiles from sheet metal would be an asset. Location of establishment should be at place from where one can serve North-American market and which would provide easy access to exportation facilities. German firm is not interested in West coast states. Would strongly consider connection with smaller firm as well, provided aggressive and reliable management is available. Commercial Section, American Con. Gen., Urbanstr. 7, D-7000 Stuttgart 1. File 3806.

GERMANY—Overhauling and repair of knitting machines. Venture would involve purchase of three private houses and real estate for small factory. Preferred location in U.S. would include the states of South Carolina, North Carolina, Georgia, and Alabama. Ronald Hinderer, Mgr., Stoff-Centrale GmbH, Koenigstr. 35, D-7210 Rottweil. File 3807.

GERMANY — Heavy road construction machinery. Firm is interested in taking over American manufacturing company, engaged in production of compactors, graders, and other road machinery. Firm's equipment is sold under trade name of Clark Scheid. Firm is interested in finding partner in area of Michigan, Wisconsin, Illinois, Indiana, and Ohio, but would also be willing to consider other possibilities. Firm will continue with U.S. company's production, but wants to add production of its own equipment—design and assembly to be performed in-company, while remaining part could be supplied through contractors. Friedrich Bilger, Jr., MBU Maschinenbau Ulm GmbH, Eckstr. 37½, P.O. Box 1249, D-7910 Neu-Ulm. File 3808.

GERMANY — Steel molds for concrete blocks. Firm is interested in establishing production facility, with possible option for later purchase. Building should have size of about 500 sq. m. and offer space for expansion up to 2,300 sq. m., with total area of real property of about 10,000 sq. m. Since September 1976, firm has maintained distribution outlet in Lake Worth, Fla. Due to excellent marketing of its products, firm does not have any geographical preferences. Messrs. Willi and Karl Rampf, Ulrich Hostenkamp, Rampf KG, Altheimerstr. 1, D-7936 Allmendingen (near Ulm). File 3809.

GERMANY — Beauticians' supplies (specialty scissors and shears). Firm would like to start production in rented buildings. Firm would buy capital machinery which would cost about DM 50,000. At outset, only 20-30 workers would be employed. Kurt-Reiner Witte, i.Fa. Kurt-Reiner Witte Scherenfabrik, Postfach 100686, Feldstr. 41, 5650 Solingen 1. File 3810.

GERMANY—Hardware. Firm intends to buy U.S. company engaged in hardware wholesale or manufacturing of hardware products. U.S. company should be well known and have a nationwide marketing organization. Firm plans to invest US$500,000 to US$1 million. Purchase price will be based on realistic appraisal of present market value of company. Gunter Nitsch, Mgr., Market Development, German American Chamber of Commerce, 666 Fifth Ave., New York, N.Y. 10019. File 3811.

Joint venture

GERMANY—Textile and packaging materials. Well known manufacturer of narrow industrial fabrics and products, such as shoe laces, suspenders, seeks suitable U.S. joint-venture manufacturing partner with experience in same field. Firm would bring know-how and capital to purchase packaging machinery for U.S. production of packaging materials mentioned. Firm claims its packaging methods are unique, practical and consumer-oriented. Erich Colsmann, Barthels-Feldhoff GmbH, Brandstroemstr. 9-11, 5600 Wuppertal 2. File 3812.

GERMANY — Switches. Firm seeks U.S. partners for production and distribution in U.S. of its line of switches: microswitches, electronic proximity switches, magnetic proximity switches, limit and standardized limit switches, joystick control switches, and elevator switch gear and program control. Herr Scholl, K. A. Schmersal & Co., Lenneper Str. 37-41, 5600 Wuppertal 2. File 3813.

GERMANY — Vulcanizing machinery and presses for conveyor belt systems. Herr Schmoele, Wagner & Co., In der Graslake 20, 5830 Schwelm. File 3814.

GERMANY — Complementary production line. Firm is interested in joint venture with U.S. manufacturer and is prepared to invest up to $300,000 in already existing enterprise. Herr Klinkisch, Sportex GmbH, Dieselstr. 4, D-7910 Neu-Ulm. File 3815.

GERMANY—Electric hand tools for "do-it-yourself" home use. Location preference, southern California. Dr. Elke Dornbach, Viktoriastr. 23, D-5400 Koblenz. File 3816.

Joint venture/licensing

ECUADOR—Automotive parts. Firm interested in manufacturer of its shock absorbers, mufflers, relays, alternators, starters and all other related items. Ing. Jose Enriquez, Ecuatoriana de Autopartes, Casilla 5086, Quito. File 3817.

GERMANY — Refractories for industrial ovens, especially induction and non-ferrous furnaces. Firm claims its silica-acid based furnace linings enjoy longer life span than U.S. technique based on high alumina content. Dr.-Ing. Karl-Ernst Granitzki, Basalt-Feuerfest-GmbH, Koelnstr. 93, 5205 St. Augustin- 2-Hangelar. File 3818.

Licensing

FRANCE—Interchangeable cards. Device used to determine and to visually represent the position of chords and chord series on various string instruments. Each card bears a central diagram designed for the particular instrument and type of chord to be considered. Each note is represented by symbol so that it can be easily

distinguished. Reading through windows of device, each card enables one to find all possible positions for chords of given type. In addition, with juxtaposition of several similar devices, chord series can be visualized. Doris Atkind, Trade Promotion Officer, European American Bank & Trust Co., 10 Hanover Sq., New York, N.Y. 10015. File 3819.

GERMANY—Tools for conveyor systems. Impact and pneumatic special tools such as screw drivers, nut-runners, wrenches, pliers, bits, power extensions, tool chests. R. Leitmann, Mgr., Carl Walther GmbH KG, Hahnerberner Str. 82, 5600 Wuppertal 12. File 3820.

GERMANY — Truck body concept, with minimum of changes, "taking only a few minutes", permits alternative transport of liquid or solid materials in same vehicle. George Schroeder OHG, c/o Georg Schroeder, Pres., 3588 Homberg-Cassdorf. File 3821.

GERMANY—Power monitoring equipment for industrial, medical, and military applications. Dipl.-Ing. W. Bender KG, c/o Chr. Bender, Pres., Postfach 7, 6310 Gruenberg. File 3822.

GERMANY—Filing systems that are electrically operated, **mobile rolling shelves** which firm claims can provide storage area savings up to 50%. Firm is interested in contacts with U.S. manufacturers of microfilm and computerized filing systems. Herr Schuler, Elba-Ordner Fabrik, Postfach 100129, 5600 Wuppertal 1. File 3823.

GERMANY — High quality sports and leisure wear. Hans-J. Feller, c/o ALLROUND Sportbekleidung, Wilhelm Feller, Alberstr. 43-47, 5600 Wuppertal 2. File 3824.

GERMANY — Ventilation systems for waste heat recovery (sound and heat proofed) in connection with sound proofed windows. Gerhard Bauer, Mgr., Josef Ormai, Sales Mgr., Fenster System Lueftung GmbH KG, Innstr. 16, D-6800 Mannheim. File 3825.

GERMANY—Fiber glass fishing rods and lures. Herr Klinkisch, SPORTEX GmbH. Dieselstr. 4, D-7910 Neu-Ulm. File 3826.

GERMANY — Disposable medical devices called "dispo-senker" for use in blood sedimentation. Wolfram Schnepp-Pesch, Servicomed GmbH, Buechelbergstr. 2, D-7500 Karlsruhe 41. File 3827.

GERMANY — Crisp crouton balls for instant preparation of soups. Product can also be served with cold milk and sugar-like cornflakes, or served as snack. Product said to be made of natural ingredients, according to an original Austrian recipe. Dr. Hans Laible, Owner & Mgr., Baeren-Nudeln-Fabrik, David Laible, Fischergasse, D-7900 Ulm. File 3828.

GERMANY — Concrete molds and forms and concrete construction equipment. Erich Brosch, PERI-Werk Artur Schwoerer KG, Rudolf-Diesel-Str., D-7912 Weissenhorn. File 3829.

Direct Sales

The following trade opportunities are based on reports received from the U.S. Foreign Service—Department of State by the Trade Opportunities Program, Room 2323, U.S. Department of Commerce, Washington, D.C. 20230. The commodities in which foreign firms have interest indicated by codes 0111-1799 and 4011-8999 are based on the Standard Industrial Classification Manual, 1972; codes 20 through 39 come from Numerical List of Manufactured Products (New 1972 SIC Basis), MC72-1, 2. Codes beginning with 99 are from the TOP coding system.

U.S. firms should be aware that the listing in Commerce America *of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the Department of Commerce pursuant to the Department's Export Administration Regulations. Applicable export licensing regulations must be followed.*

Every effort is made to include only traders with good reputations. However, the Department cannot be responsible for any trade relations.

WTDR indicates that a World Traders Data Report on this specific firm is available at $15 from the Export Information Division, Room 1033, U.S. Department of Commerce, Washington, D.C. 20230. A WTDR is a trade profile which contains commercial information including financial references, on an individual foreign firm. Orders must include complete name and address of the subject firm and be accompanied by payment. Further information concerning WTDRs and request forms are available at each Commerce District Office.

Broad woven fabric mills, cotton

2211418—DOMINICAN REP.—Bed tickings; cotton fabrics, mattresses. Estab. 1930 to mfr. & distrib. mattresses & household furniture. Paid in capital $623,000; employs 58; claims annual sales volume $2,000,000. Ref.: Elfa Trading Co., 395 Broadway, New York, N.Y. Contact—Dr. Osvaldo Gonzalez A., Pres., Honorio Gonzalez, C Por A, Federico Velazquez #118, Apartado No. 1155, Santo Domingo, Dominican Rep. Tel. 687-227.

Men's, boys' furnishings

2321913—DENMARK—Contract work on shirts to carry Danish brand name. Well-reputed, estab. 1945. Employs 60. One of Denmark's leading distributors of leisure & work clothing. Reply to—P. Philipson, Dir., Gilcodan A/S, Mileparken 20, DK-2740 Skovlunde, Denmark. Tel. 02-843511; cable GILCODAN; telex 22699 BARON DK.

Paper mills, products

2621600—IRAN—725 tons colored paper. Bank guarantee of 1 million rials required with tender. Obtain tender docs. & product samples from Purchase Dept., Iranian Tobacco Co., 205 Iranshahrr Ave., Tehran. Cable TABAKMONOPOL; telex 2715. Bid deadline May 2.

Converted paper products

2641898—WEST GERMANY—Latex/saturated paper, approx. 80 grams/sq. meter; mfrd. of latex preserved cellulosic wood fiber, flexible & moisture resistant. Quote c.i.f. Antwerp. Estab. 1920, employs 850, annual sales DM 140 million. Fin. ref.: Deutsche Bank AG, 5600 Wuppertal. Reply to—Herr Ebel, Mgr., Wilhelm Jackstaedt & Co., Postfach 130236, 5600 Wuppertal 1, Germany. Tel. 202-4901; telex 8591883.

Books

2731345—YEMEN—Ministry of Education desires to have U.S. book jobbers quote prices (publisher's list price plus cost) for procurement & supply 225 books, total vol. copies 850. Books for multilateral secondary school at Sana & agricultural training center at IBB. Funding through IDA credit no. 421/YAR. Replies should be sent to below address. Implementation unit also desires supply 1,093 books printed in Arabic language. List in Arabic available from Dept. of Commerce, TOP, Rm. 2321, Wash., D.C. 20230, tel. 202-377-2251. Contact—Ministry of Education, Implementation Unit, IDA Education Project, P.O. Box 96, Sana, Yemen Arab Republic.

Chemical products

2899498 — BOLIVIA — Capsules, gelatin, empty. Quotations c.i.f. Matarani, Peru. WTDR 5-74. Reply to—Laboratories Alfa Ltda., Santiago Ferrer A., Casilla 1588, La Paz. Cable LABORALFA.

Abrasive, asbestos, nonmetallic mineral products

3291453—CANADA—Scouring pads. Well-estab. firm with 12 years experience in mfg. metal scouring sponges. Interested in acquiring additional lines of knitted, plastic & copper scouring pads & any other related consumer type products. Market area covers all Canada & Bermuda. Presently has staff of 10 & estimates annual volume of sales for coming year to be $300,000. Reply to—Hazen B. Hogg, Pres., H. B. Industries, Ltd., P.O. Box 670, Sussex, New Brunswick, EOE 1P0, Canada. Tel. 506-433-1207

Non-ferrous metals

3353351—JAPAN—Aluminum foil for capacitors. Specs.: purity 99.3 percent; thickness 0.005 m/m; width 8, 10, 13, 18, 20 m/m. Quantity: 1-3 ton/lots. Importer & distrib. of industrial & fine chemicals, abrasives, plastics, dyestuffs, bldg. materials & machinery. Imports photographic products of Eastman Kodak as sole agent in Japan. Company also represents number of other U.S. firms' products. Annual sales $833 million in 1977. Head office located at 19 Itachibori Minami-Dori Nishi-Ku, Osaka; 2,200 employees; paid-in capital, $15 million. Reference banks—Sumitomo Bank Ltd.; Tokai Bank, Ltd., Bank of Tokyo (Osaka & Tokyo branches). Reply to—Kazunori Andoh, Mgr., Magase & Co., Ltd., 3 Kobunecho 2-Chome, Nihonbashi Chuo-Ku, Tokyo 103. Cable UROKODEN TOKYO; tel. 03-665-3262; telex NAGASE, J24737.

Metal stampings

3469959—JAPAN—Ash trays, ash cans equipped with activated carbon, which will absorb smoke, a new anti-pollution device for smokers. Medium-large sized importer/wholesaler which deals in soap, cosmetics, & bathroom accessories. Well known to Embassy. Financial ref.—Mitsui Bank, Kyobashi Branch; paid in capital 2-5 mil-

lion yen. Has large sales network in retail market. Reply to — Tadashi Fukazawa, Mgr., Central Distributors, Inc., (Chuo-Bussan K.K.), 2-2-3, Minami Aoyama, Minato-Ku, Tokyo 107. Tel. 03-402-7211; cable CENDIS TOKYO; telex 242-2307.

Fabricated metal products

3494400, 3317600, 3536200—THAILAND—Supply & install following equip.: Schedule A—gates & hoists, 2 spillway radial gates, ea. 12.5 x 17.5 m. & hoists; 1 power inlet fixed wheel gate, 5.7 x 9.2 m. & hoist; 1 power inlet bulkhead gate, 6.0 x 12.5 m. & lifting beam; 4 sets power inlet trash racks, ea. set 3.0 x 15.0 m. & lifting beam; 4 draft tube gates; ea. 4.3 x 2.5 m. with monorail & hoist. Schedule B—steel conduit & valves, one 6 meter dia. steel power conduit, 330 m. long; one 3½ meter dia. steel power conduit, 81 m. long; one 2 meter dia. steel power conduit, 28 m. long; 1 Howell-Bunger type free discharge valve, 2 m. id; 1 butterfly valve, 2 m. id. Financed by loan from Kuwait Fund for Arab Economic Dev. Tender docs. for sale at $50 each set. Requests for tender docs. must be in writing, accompanied by non-refundable certified bank draft payable to EGAT. Only bids from contractors approved by KFAED, will be accepted. Obtain bid docs. from—Foreign Purchasing Sec., Electricity Generating Authority of Thailand (EGAT), Nonthaburi, Thailand. Refer to bid no. EGAT-PN-T4. Bid deadline May 15.

Farm machinery

3523820-34-35-36-39-43 — PAKISTAN — Machinery & equipment for setting up 3 plants for processing, grading, treatment, packing & storage seeds for wheat, rice, maize, oil seeds & cotton seed. Machinery for wheat, rice, maize, etc. should incl. precleaning, grain cooling, vertical & horizontal conveying, maize shelling, drying, main cleaning, seed treatment, fumigation, bagging & storage equip.; also weight scale, fork lifts & lab. apparatus. Machinery for cotton seed, saw ginning, mechanical acid delinting, fine cleaning, seed treating, lint cleaning & baling, fumigation, etc., also required. Foreign exchange component project, approx. $1,386,200, being financed by IDA credit. Bid docs. available from address below at $300/set & must be obtained prior to submitting offers. Prequalification no longer required. According to IDA guideline, 15 percent margin preference will be given to locally mfrd. goods in evaluation bids. Obtain bid docs. from—Izhar Ahmad Khan, Secretary, Punjab Seed Corp., 4 Lytton Rd., Lahore, Pakistan. Bid deadline May 7. Cable BEEJ LAHORE; tel. 61586.

Construction machinery

3533000 — YUGOSLAVIA — One complete special truck-mounted machine with tools used for repairs on oil & gas wells. Christmas tree assembly, which should be part of truck-mounted machine, should be able to do repairs up to depth about 6,000 meters with max. possible weight on hook of 150 tons. In addition to machine, whole set accessory tools should be supplied. Hydraulic head with prorated max. turning moment of 6000-6500 ft. lbs.; hydrostatic pressure 4000-4500 psi; max. 170 rpm; prorated cap. 120 tons (65 tons at 100 rpm). Engine should have following characteristics—GM 6V 71 N diesel 175 hp, 2000 rpm with hydraulic starter. Whole assembly should be skid mounted & should contain necessary tools. Also complete machinery for turning liquid nitrogen into gas with device for pressing nitrogen gas into oil & gas wells. Max. cap. for turning liquid into gas should be 5,100 N meters/hr. at pressure 700 kilos/sq. centimeters (10,000 psi). Complete unit, incl. tank for liquid nitrogen, should be mounted on skid & should be suitable for use onshore & on offshore platforms. Requests should carry spec no. "3042-R". Write to—Ina-Naftaplin, Oour Komerrcijala I Realizacija Zajednickog, Poslovnog Rezultata, Proleterskih Brigada 78, 41000 Zagreb. Refer to Sluzbeni List No. 9. Bid deadline May 25.

Metalworking machinery

3541699—TAIWAN—1 complete set plano-miller, double-column plano-milling machine equipped with vertical adjustable crossrail & 1 crossrail ram type milling head & 4-axes continuous path control system, incl. circular interpolation. Workpieces to be machined will be large machine components like marine diesel engine bed, frame, cylinder block, turbine casing, etc. Bids limited to U.S. & European countries for shipment to Kaohsiung (Taiwan Machinery Mfg. Corp.) within 6 mo. after receipt L/C. Bids to be given on f.o.b. main port/whole lot basis valid for 30 days. Expected purchase price will exceed $50,000. Invitation-to-bid & specs. available from Central Trust of China, Procurement Dept., 49 Wuchang St., Sec. 1, Taipei, Taiwan 100. Refer to bid no. GF4-670176. Bid deadline May 1.

Special industrial machinery

3552100-200, 9913303—ALGERIA—Supply all equip. 3 factories producing clothing, located at: Lot (10) Tablat (100 kms from Algiers), 1,480,000 bedsheets & others/yr. cap.; Lot (11) Bou Saada (E. Algeria), 1,200,000 clothing/yr. cap.; Lot (12), Algiers, 165,000 women's goods/yr. cap. Tender docs. in French for each lot cost 100 DA ($25) & must be obtained from address below prior to submitting offers. Partial offer acceptable. Offer & all corres. must be in French; all specs. metric. Obtain bid docs. from—Direction Engineering, SONITEX, B.P. 17, Dar El Beida, Algiers. Cable NIFTA ALGER; telex 52513. Bid deadline May 31.

3554051, 3711200, 9915902—INDONESIA—IHI on behalf of P. T. Semen Baturaja invites bid for supply & f.o.b. delivery of: Tender 5—cement bag mfg. unit for Panjan cement grinding plant. Tender 8—laboratory equip. for Baturaja cement project. For Portland cement plant with facilities to be built at Baturaja & Palembang, Panjang, Lampung, So. Sumatra. Foreign exchange cost financed from ordinary fund resources loan of ADB no. 198 INO & no. 337 INO. U.S. listed in tender announcement as eligible supplier. Only bids from eligible source countries ADB accepted. Tender docs. must be obtained against payment of Rupiah 40,000 (approx. $96.39)/set (non-refundable) for tender 5, & same for tender 8, from address below prior to submitting offers. Closing date for submission of bids for tender 5, May 10; tender 8, May 9, at P. T. Semen Baturaja, Granadha Bldg. (Auditorium), Jalan Jendral Sudirman 50, Semangi, Jakarta Pusat, Indonesia. Obtain bid docs. from—K. Nagamatsu, Mgr. Rep. Office, Ishikawajima Harima Heavy Industries Co., Ltd., Skyline Bldg., 9th Fl., Jalan. M. H. Thamrin 9, Jakarta Pusat, Indonesia. Tel. 352147; telex 44175 IHI JKT.

3559111, 9910105-502—SRI LANKA—Supply following complete liquid oxygen/nitrogen producing plant, cap. 350.3/hr., liquid oxygen storage tank to match plant, complete with liquid withdrawing facilities. Insulation should suit tropical conditions, liquid oxygen stand tanks vertical type, 50,000 cu. ft. complete with filling & gas evaporating devices. Outlet pressure variable between 10 to 50 p.s.i., liquid oxygen containers, horizontal type, suitable for trailer mounting, cap. 100,000 cu. ft. Complete with liquid transfer hoses, liquid nitrogen container stand tanks, cap. 50,000 cu. ft. suitable for direct transfer liquid nitrogen from plant & withdrawal facilities complete with level indicator, centrifugal liquid oxygen & liquid nitrogen pumps complete with evaporating devices, terminal pressure 2,500 p.s.i. Nitrous oxide producing plant complete with cylinder filling equip., accessories & analytical apparatus. Cap. 8,000 gals/hr. Product gas should comply to BP or USP. Indicate fl. area required for complete plant. Tech. literature available from Dept. of Commerce, TOP, Rm. 2321, Wash., D.C. 20230, tel. 202-377-2251. Tenderers should forward complete tech. details, prices & delivery dates to below address. Ceylon Oxygen anxious to have by cable immediate info on approx. prices from potential U.S. suppliers. Detailed specs. & more refined price estimates could come later. Submit offers to—A. Adams, Engineer, Ceylon Oxygen Ltd., 50 Sri Pannananda Mawatha, P.O. Box 322, Colombo 15, Sri Lanka. Refer to bid no. ENG/OP/16.

Electric transmission, distrib. equip.

3612200-777—EGYPT—Supply 11 k.v. distribution panels, distribution transformer substations, 11 k.v. distribution transformers & apparatus. Tender docs. must be purchased at below address by payment of U.S. $300 per copy to Chase Natl. Bank, Cairo Branch, Account No. 01-50-32694-0, prior to submitting offers. All offers must incl. provisional guarantee 2 percent total value tender. Offers will be accepted only from countries that are members of IBRD & Switzerland. Electricity Authority received loan from IBRD, equivalent to U.S. $48 million, of which U.S. $41.4 million available to Rural Electrification Authority. Obtain bid docs. from—Rural Electrification Authority, Purchasing & Contracting Dept., Ramsis St., Nasr City, Abbassia, Cairo. Refer to tender no. 10/78. Bid deadline May 3.

3612200, 3613100, 9918203—TRINIDAD AND TOBAGO—Design & supply all materials for extension 132 kv outdoor switching station, at Point Lisas Power Station, Phase II. Extension will be utilized for interconnecting new generating plant with purchaser's system & for supplying steel works which will be sited close to power station. Both projects expected to be commissioned by Aug. 1979, & ext. will therefore have to be completed prior to this date. Short delivery time of materials essential & shall be important factor in assessment tenders. Quoted delivery period shall ensure that materials arrive in Trinidad within 9 months of placing order. Materials to be supplied shall incl.—circuit breakers; isolating switches; steel structures; aluminum busbars & associated clamps; insulators; durge diverters; earthing bar & accessories; current transformers; voltage transformers; busbar protection; remote control & relay panel; remote control console; d.c. supplies, batteries & charging

units. Purchaser's intention to install equip. using his own labor force. However, tenderer shall incl. quotation for engineer to supervise erection work & commission switching station. Quotation shall incl. details all charges & conditions attached to supply of erection & commissioning engineer. Tender docs. must be obtained from General Accountant, Trinidad & Tobago Electricity Commission, 63 Frederick St., Port of Spain, Trinidad. Refer to bid no. 3576. Bid deadline May 12.

3613100—NICARAGUA—Electrical relays & relay systems, electromagnetic, induction-type, for 230, 138 & 69 kv transmission lines. Electrical switches, recloser-type. Bid for approx. 82 relays & 10 switches. Bid docs. available for US$50 from below address & must be obtained prior to submitting offers. Bid bond US $20,000 required. Purchase financed in part with IBRD asst. Obtain bid docs. from—Empresa Nacional De Luz Y Fuerza (ENALUF), Secretaria De La Presidencia Ejective, Apartado Postal 55, Managua, Nicaragua. Bid deadline May 2.

Electrical industrial apparatus

3621400—GREECE—Supply, installation & delivery in operating condition (turnkey) of 2 steam lignite-burning units, 300 megawatts ea., (St. Demetrios I & II). Est. value $400 million. Financed from PPC's budget. Bid docs. available in English at 6,000 drachmas (about $170), plus postage, from Public Power Corp. (PPC), Purchasing Dept., 55 Stournari St., Athens (102). Bid deadline July 18.

3629100 — PARAGUAY — 4 capacitor banks, 1200 kvar-23kv; 9 capacitor banks, 600 kvar-23 kv related equip. for installation, protection, control & accessories & spare parts for same. ANDE is natl. electric power utility. Est. total cost tender $79,000, to be financed with ANDE's own funds. Bids should be submitted through local agent registered with ANDE. Specs. (2 sets) available for $30, addl. sets $20, from Div. De Adquisciones, Departamento De Licitaciones—ANDE, Calle Padre Cardozo 355, Asuncion, Paraguay. Refer to bid no. 167/78. Bid deadline April 27.

Household appliances

3631219—IVORY COAST—Gas ranges. Mr. Beaumel intends to estab. import/export firm this year. Above items would be for domestic & neighboring markets. Requests price lists & catalogs. B. Beaumel, P.O. Box 20321, Abidjan. Tel. 35-78-46.

3633310—JAPAN—Coin-operated clothes washer-extractor combinations, 10 pounds max. load & under, est. ann. purchase $100,000. Coin-operated tumbler clothes dryers, 10 pounds max. & under, est. ann. purchase $100,000. Old estab. exporter textile goods & importer of textile goods & refrigeration equip. Capital $3 million. Ann. sales $350 million. Ref.—Sanwa Bank, Osaka Head Off. Reply to—Mr. Kazuo Yoshimura, Export/Import Dept., Tamurakoma Co., Ltd., 4-55 Azuchi-Machi, Higashi-Ku, Osaka 541, Japan. Tel. 06-268-7304.

Communications equipment

3661100—IRELAND—Supply, installation, testing & commissioning 30 circuit PCM systems in accordance with spec. IML/78 & Dept. Posts & Telegraph's letter of March 1. Financed by central govt. funds. Specs. & letter available from Engineer-In-Chief, Dept. Posts & Telegraphs, Contracts Sec., Marlborough St., Dublin 1. Refer to bid no. C/610/6/1. Bid deadline June 1.

3661100-250-291—ARGENTINA — ENTEL, Argentine state-owned telephone co., holding bids for automated telephone repair system, which incl. facilities for reception, control, & emission of repair messages. System will have computerized message switching exchange which will connect with 96 repair centers in greater Buenos Aires area, ea. with high speed teleprinter terminals. Will contain 500 incoming lines. Non-operator system preferred. Bid docs. available for 50,000 Argentine pesos, $73.53, (680 pesos=$1.00). From Entel Argentina, Direccion Naccional De Abastecimiento, Avenida La Plata 1540, 3rd Fl., Buenos Aires. Refer to public bid 33/78. Bid deadline May 30.

3662100, 3629200, 3661153, 3674972 — COLOMBIA—TELECOM, natl. telecommunications entity, interested in receiving proposals for supply various telephone communications equip. for rural telephone program, as follows—Radio links with cap. 1, 5, & 24 telephone circuits. Rural radiotelephone systems, multiple access, with cap. 10 to 20 subscribers. Independent energy systems which incl. solar cells & batteries with nominal cap. 100 watts. Radio links, with 60, 300, & 950 telephone circuits. Automatic telephone switching equip. (pax & bc switchboards. Energy systems conformed by generators, batteries & rectifiers. Specs. available for 30,000 pesos each or $789 copy & 3,500 pesos or $92 each addl. copy, not refundable & must be obtained prior to submitting offers. All bidders must be previously registered with TELECOM. Project partially financed by Interamerican Dev. Bank under loan 493/SF-CO. Proposals from foreign firms must be presented only through local agent. Obtain bid specs. from—Div. De Suministros, Empresa Nacional De Telecomunicaciones, TELECOM, Calle 23 No. 13-49, Piso 7, Bogota. Refer to Lic. Pub. Intl. Bid 01/78. Bid deadlines June 1.

3662147 — MOROCCO — Supply telecommunications equip. (carrier-current over high-tension lines). Financed by Moroccan central govt. investment budget. Firms interested must obtain bidding file against payment by check or money order of Moroccan DH 150 ($33.33) plus postage from address below, attn. "Service Approvisionnements" prior to submitting offers. Strongly advise bid submission in French language if possible. Obtain bid file—Monsieur Le Directeur, Off. National De L'Electricite (ONE), Boite Postale 498, Casablanca. Telex OFELEC 22780 M. Refer to bid no. 17 390 P. Bid deadline May 6.

3662190-290-698 — ALGERIA — Supply electronics equip. to equip electronics laboratories incl. process control, modular systems, micro-wave communications, rotative machinery, 2 audio-visual equip. Tender docs. cost 100 DA ($25) & must be obtained from address below prior to submitting offers. This project has obtained loan no. 1209 AL from IBRD. Offer & all corres. must be in French; all specs. metric. Obtain bid docs. from — Monseiur Le Directeur, INELEC, Boumerdes, Algeria. Telex 52488. Refer to bid no. T3/78. Bid deadline May 30.

Measuring & controlling devices

3825000—EGYPT—Supply testing equip. & misc. materials. Tender docs. must be purchased at below address by payment U.S. $300 per copy to Chase Natl. Bank, Cairo Branch, account no. 01-50032694-0, prior to submitting offers. All offers must incl. provisional guarantee 2 percent total value tender. Offers will be accepted only from countries that are members of World Bank & Switzerland. Electricity Authority granted loan from World Bank equivalent to U.S. $48 million, of which $41.4 million available to Rural Electrification Authority. Obtain bid docs. from—Rural Electrification Authority, Purchasing & Contracting Dept., Ramsis St., Nasr City, Abbassia, Cairo. Refer to tender no. 14/78. Bid deadline May 31.

Construction

9911100, 9922199, 9913299—ALGERIA—Construction 3 agro-industrial turnkey plants (products in hand) located in Algiers, Eastern & Western Algeria, for total production 15 million chickens and 360 million consumption eggs year. Tender docs. cost 200 DA ($50) from address below & must be obtained prior to submitting offers. All equip. must be c.i.f. at Algerian ports. Offer must incl. engineering, civil works & construction of bldg., stockage area construction, transport ways for intermediary & finished products, parts for 2 years, training personnel, tech. asst., references describing similar studies & construction & remain valid 120 days past bid deadline. High tech. required. Iso Normes required for mechanical equip. & CEI for electrical equip. Variations on specs. acceptable. Offer & all corres. must be in French; all specs metric. Obtain bid docs. from—Sn Sempac, 6 Blvd Zirout Youcef, B.P. 17, Algiers. Cables DCSEMPAC ALGER; Telex 52923 & 52907. Bid deadline April 30.

9911205-99—SAUDI ARABIA—Prequalif. general contractors, general construction contractors for construction Riyadh diplomatic quarters. Work incl. excavations & earthworks, roads, drainage systems, water, sewage, electrical, telecommunications, landscaping & general construction. Master plan for move of all embassies from Jidda to Riyadh to be published approx. May 1978. Move of embassies scheduled after move of new billion-riyal foreign ministry, which may be completed by 1982. Prequalif. docs. must be obtained from below address prior to submitting offers. Tel. 65005, 68751; telex 201190 SJ. Obtain prequalif. docs. from—Bureau for Project of Ministry Foreign Affairs & Diplomatic Quarters, P.O. Box 495, Riyadh, Saudi Arabia.

9912401—ALGERIA—Bid no. 414/E—supply & install 1 sound broadcasting mixed station incl. 1 hectometric wave transmitter with directing antennae system & 2 decametric wave transmitters with antennae system. Bid no. 412/E—supply & install 1 complete sound broadcasting station. Tender docs. cost 200 DA ($25) per bid no. & must be obtained from RTA, Direction De Services Techniques Et De L'Equip., 21, Blvd. Des Martyrs, Bureau 332, Nouvel Immeuble, Algiers; cable —RTA ALGER; telex—52042. Offer & all corres. must be in French; all specs. metric. Submit offers by registered mail to—Direction De L'Administration Generale, Ministerre De L'Information Et De La Culture, 119, Rue Dicouche Mourad, Algiers. Cable MINIF ALGER; telex 52989.

Refer to bid nos. 414/E & 412/E. Bid deadline June 15.

9912900 — ALGERIA — Supply, assemble, test & start-up fixed radio telecommunication material on movable machines to be installed in steel & iron complex of El Hadjar, Annaba, Eastern Algeria. Tender docs. cost 400 DA ($100) & must be obtained from address below prior to submitting offers. Offer to remain valid 90 days past bid deadline. Offer & all corresp. must be in French; all specs. metric. Obtain bid docs from—Direction Travaux Neufs, Div. Marches, SNS, B.P. 1035, Annaba, Algeria. Refer to bid no. SG 1318. Bid deadline April 30.

9913107, 3731315—NORWAY—Construction 12 tuna longliner fishing boats, overall length 31 meters, breadth 5.8 meters, 69 gross tons, service speed 9 knots, freezing cap. 2 tons/day, fish hold about 76 cu. meters, complement 20 persons. Hareide requests bidders offer financing, preferably 90 percent over 15 years incl. 3 years grace, at 6 percent per annum. Bid should be firm price, valid 3 months, & should incl. 2 percent brokerage commission for Hareide. Write or telex—Kaare Larssen, Dir., Hareide International Group, Stortorvet 2, Oslo 1. Telex 19936 MONEY, OSLO. Refer to Tuna Project—Sri Lanka. Bid deadline May 1.

9913303, 3552100-200—ALGERIA—Supply equipment to 5 factories mfg. knitted goods located in East Algeria at: Lot 5) Sidi Okba, 2,900,000 clothing/yr. cap.; Lot 6) Ouled Djellal, 1,600,000 baby goods/yr. cap.; Lot 7) El-M'Ghair, 9,900,000 women's goods (lingerie)/yr. cap.; Lot 8) Tolsa, 1,100,000 sport clothes/yr. cap.; Lot 9) El-Kantara, 2,800,000 chemises/yr. cap. Tender docs. in French for each lot cost 100 DA ($25) & must be obtained from address below prior to submitting offers. Partial offer acceptable. Offer & all correspondence must be in French; all specs. metric. Obtain bid docs. from—Direction Engineering, SONITEX, B.P. 17 Dar El Beida, Algiers. Cable NIFTA ALGER; telex 52513. Bid deadline May 31.

9915109—JORDAN—Water Supply Corp. invites experienced civil engineering contractors to apply for registration forms for pre-qualification of tenderers for construction contract forming part of Aqaba region water supply project. Construction contract will comprise following items of work—3mw power station, administration bldg. & housing; concrete reservoirs; trunk pipeline approx. 90km long, 450-800 mm dia.; wellfield collecting pipelines totaling 22km, 250-700mm dia.; 11 kv overhead electricity transmission lines totaling 22km. Invitations to tender will be issued early in 1978 & 1st. stage of scheme due for commissioning early 1980. Govt. Jordan negotiating loan with Arab Fund for Social & Economic Dev., & tenderers will be only those acceptable to Fund's mgr. Separate supply contracts will be awarded for delivery & erection generating equip. & supply all pipes & valves. Contractors should apply for registration form to either below address or to Howard Humphreys & Sons, Kennet House, Kings Rd., Reading, RG1 3BT, England. Apply to—Water Supply Corp., P.O. Box 5012, Amman, Jordan.

9917203—TUNISIA—Supply & installation pipeline to transport natural gas from offshore Miskar gas field in Gulf of Gabes to mainland, approx. 120km. Pipeline dia. roughly 28 in. Est. cost $100 million. Tender docs. & specs. available for 300 Tunisian dinars (1 TD approx. $2.48) from Groupe Etude Miskar, 11 Ave. Kherreddine Pacha, Tunis. Telex 12128TN. Bid deadline May 22.

9918200—EGYPT—Supply & construction electrical equip. for Suez Canal area, cap. 66 k.v. Tender docs. must be purchased at below address by payment of L.E. 50 (US$71.42) per copy prior to submitting offers. All offers must include provisional guarantee 2 percent total value offer. Obtain bid docs. from—Egyptian Electricity Authority, Nasr City, Abbassia, Cairo. Refer to tender no. 10/78. Bid deadline May 10.

9918200—EGYPT—Supply & construction electrical equip., cap. 66 k.v. for Cairo District. Tender docs. must be purchased at below address by payment of L.E. 50 (US$71.42) per copy prior to submitting offers. All offers must incl. provisional guarantee 2 percent total value of offer. Obtain bid docs. from—Egyptian Electricity Authority, Nasr City, Abbassia, Cairo. Refer to tender no. 9/78. Bid deadline April 30.

9918201, 3644100-200 — EGYPT — Supply equip. for 66 & 33 k.v. transmission lines incl. supports, insulators, conductors & fittings. Tender docs. must be purchased at below address by payment of U.S. $300 per copy to Chase Natl. Bank, Cairo Branch, Account No.—01-50-32694-0, prior to submitting offers. All offers must incl. provisional guarantee 2 percent total value tender. Offers will be accepted only from countries that are members of IBRD (World Bank) & Switzerland. Electricity Authority received loan from World Bank equivalent to $48 million, of which $41.4 million available to Rural Electrification Authority. All offers must be submitted to Authority through registered commercial agents from public sector companies or from private sector. Obtain bid docs. from —Rural Electrification Authority, Purchasing & Contracting Dept., Ramsis St., Nasr City, Abbassia, Cairo. Refer to tender no. 12/78. Bid deadline May 18.

9918202-3—EGYPT—Supply materials for 11 k.v. & 400 v. overhead distribution lines, tender no. 13/78, bid deadline May 15. Also, supply & installation equip. for seven 66/11 k.v. & two 23/11 k.v. substations, tender no. 11/78, deadline May 8. Tender docs. must be purchased at below address by payment of U.S. $300 per copy to Chase National Bank, Cairo Branch, account no. 01-50-32694-0, prior to submitting offers. All offers must incl. provisional guarantee 2 percent total value tender. Offers will be accepted only from countries that are members of World Bank & Switzerland. Electricity Authority granted loan from World Bank equivalent to U.S. $48 million, of which U.S. $41.4 million available to Rural Electrification Authority. Obtain bid docs. from—Rural Electrification Authority, Purchasing & Contracting Dept., Ramsis St., Nasr City, Abbassia, Cairo.

Consultancy & services

9922106—ALGERIA—Prequalification for construction of dockyard at Mers El Kebir (E. Algeria). Project incl.—programming construction plans; ground & maritime civil works; supply & assembling all equip. Firms interested & highly qualified should write to address below to obtain tender docs. & explanatory specs. Tech. & financial references required. Offer & all corresp. must be in French; all specs. metric. Submit offers by registered mail—ONCN, 1, Rue D'Alger, B. P. No. 4, Oran, Algeria. Prequalif. deadline April 30.

Natural resource development

9923206, 2298210, 3551351, 3585300, 3731327, 3949100—EL SALVADOR—Prequalif. of mfrs. of fishing vessels, fishing equip. to be used in vessels for marine & inland fishing, & equip. for fish processing & preservation. Financed by IDB & govt. Interested firms send info on their co., their experience in similar projects & characteristic products they mfr. 1 copy of above info must be mailed to Banco De Fomento Agropecuario, Unidad De Planification, Edificio Fiallos, San Salvador, El Salvador, & 1 copy to Ministerio De Agricultura Y Ganaderia, Ofician Proyecto Des Krollo Pesquero, Liuy Yabid Blvd. De Los Heroes 12-12, San Salvador, El Salvador. Prequalif. deadline April 30. Refer to bid 502/SF-ES.

Scrap

9998010—INDIA — Metal Scrap Trade Corp. Ltd. (MSTC), & Iron & Steel Controller (ISC), both govt. agencies, announced that actions being taken to implement recent govt. decision permitting ad hoc imports ferrous scrap. Govt. has agreed to meet scrap requirements electric steel furnace units & invited applications from local end-users for direct imports ferrous scrap up to 10 percent their respective licensed production cap. As projected imports ferrous scrap will not be canalised through MSTC, individual importers being advised to contact appropriate foreign supplier & submit their offers to MSTC & ISC, which will jointly recommend govt. permission for imports. Preliminary official estimates show that ad hoc imports ferrous scrap for melting may be allowed up to total quantity 200,000 tons, valued about $15 million. MSTC requests U.S. suppliers to submit offers immediately for supplying ferrous scrap as per specs below to S. P. Dutta, below address. Offers should incl. tech. specs of scrap, total quantity for sale, c.i.f. Calcutta price/ton, & delivery schedule. As notified by MSTC, ad hoc imports ferrous scrap for melting restricted to following grades—A) heavy melting steel scrap no. 1; B) heavy melting steel scrap no. 2; C) no. 1 bundles; D) steel turning in briquette form; E) fragmentized/shredded scrap. Official preference will be given to imports (D) & (E). Details importable grades scrap as per U.S. spec are A) no. 1 heavy melting steel, wrought iron and/or steel scrap ¼ in. incl. & over in thickness, individual pieces not over 60 in. x 24 in. (charging box size), prepared in manner to insure compact charging (ISIS code no. 200). B) no. 2 heavy melting steel, wrought iron and steel scrap, black & galvanized ⅛ in. & over in thickness, charging box size to incl. material not suitable as for no. 1 heavy melting steel, prepared suitable as for no. 1 heavy melting steel prepared in manner to insure compact charging (ISIS code no. 203). C) no. 1 bundles—new black steel sheet scrap, clippings or skeleton scrap compressed or hand bundles, to charging box size, & weighing not less than 75 lb./cu. ft. (hand bundles tightly secured for handling with magnet). May include Stanley balls or Mandrel wound bundles or skeleton reels, tightly secured, may incl. chemically detinned material, may not incl. old auto body or fender stock. Free of metal coated, limed vitreous enameled, & electrical sheet containing over 0.5 percent silicon. (ISIS code no. 208). D) steel turnings in briquette form—analysis & density

to consumer's spec. (ISIS code no. 2270. E) fragmentized/shredded scrap—homogeneous iron & steel scrap, magnetically separated, originating from automobiles unprepared no. 1 & no. 2 steel, misc. baling & sheet scrap, average density 50 lb./cu. ft. (ISIS code no. 210). Suppliers advised avoid contracts for supply re-rollable scrap; for instance, cutting heavy structurals, because ea. consignment imported scrap will be inspected by ISC officials at Indian ports to detect & reject re-rollable scrap. Offers should be sent to Steel Furnace Assoc. of India, 3/D Vandana, 11 Tolstoy Marg, New Delhi 110001, or to S. P. Dutta, Tech. Officer, Metal Scrap Trade Corp. Ltd., 225-E Acharya Jagadish Bose Rd., Calcutta 700020.

Representations

Foreign private firms are interested in agency agreements and/or distributorships for these products.

Manmade fiber, silk

2221283—INDONESIA—Glass fiber insect screening. Estab. in Jakarta in 1956, engaged as importer, retailer of electrical appliances & distrib. of alarm clocks. Reported authorized capital RP. 18 million (RP .415 equals U.S. $1) & annual turnover reported RP. 200 million. Sells throughout Indonesia. Employs 5 & 2 salesmen. Requires catalogs, samples & price quotation, terms of payment ASAP. Reply to—M. G. Waworuntu, Import Dept., P. T. Karrtika Corp., Jalan Malaka 19, Jakarta Barat, Indonesia. Cable KARPORRAPT JAKARTA; tel. 278789.

Broad woven fabric mills, wool

2231210-20-30-40-315—WEST GERMANY—Apparel fabrics, 100 percent wool, & blends; chiefly wool, men's & boys, women's & young girls' clothing; finished wool apparel fabrics for men's suits, ladies' costumes & coats, medium to high quality material, patterned. Widths—150 centimeters. Represents German weaving mills & has customers in German clothing industry. Has good contact to large buying cooperative. Estab. 1888. Annual sales —DM 10-11 million. Financial ref.—Stadtsparkasse, 5600 Wuppertali. Reply to—Herr Van Der Meulen, Rudolf Wirth, Postfach 130358, Neuenteich 32, 5600 Wuppertal, Germany. Tel. 0202/443667; telex 8591748.

Yarn, thread mills, products

2281303-19-23-53-73 — WEST GERMANY—Yarns for acetate, perlon & artificial silk fabrics. Company is supplier of decoration materials & sells to confectionery industry in EEC & EFTA countries. Imports 45 percent & exports 10 percent of its distribution line. Estab. 1919, employs 150 incl. traveling salesmen, annual sales DM 10 million. Financial ref.—Stadtsparkasse, 5600 Wuppertal. Reply to—Herr Paul E. Pella, Manager, Joh. Entgen GmbH & Co. KG, Postfach 210640, Schoene Aussicht 25, 5600 Wuppertal 21, Germany. Tel. 0202-461004; Telex 8591769.

2298100-331 — MOROCCO — Excl. distrib. sought for fishing nets, hard fiber cordage & twine for fishing vessels. Firm specializes in marine hardware & general supplies for fishing vessels. Send letters & publicity material in French, if possible. Reply to—M'Hammed Benaidy, Ets Benaidy, 81, Blvd. Mohamed El Hansali, Casablanca. Tel. 27-73-63 & 27-69-76; telex 24-883 PIACAIDY.

Men's, youths', boys' furnishings

2329119-219—EGYPT—Supply of 100,000 zippered jackets with hoods. Jackets should be water proof & have 4 pockets. Buyer requests offers c.i.f. ASAP. Cable or telex to —Amr Abou Samra, G.E.C., 1, El Sad Al Aali St., P.O. Box 126 Dokki, Cairo. Cable SALAGALEB CAIRO; tel. 804402; telex 92707 ATCCO UN ATTN. GHALEB.

Converted paper, board products

2649560—UNITED KINGDOM—Decorative wallboards. Mfrs. & suppliers of sundry items for D-I-Y & hardware trades, & skateboard industry. Annual sales 2.5 million pounds. Employs 62. Interested in representing U.S. firms for above. Co. ref.: Bank of Scotland, St. John's St., Perth, Scotland. Write—D. B. Wallace, Mng. Dir., Cleghorn, Gibson & Co. Ltd., 100 Main St., Methven, Perthshire, Scotland, U.K. Tel. METHVEN 345.

Chemical products; signaling, safety equip.

2899529, 3069585, 3648981-9 — EGYPT — Firm seeks excl. agency for pyrotechnics; life rafts & jackets; signaling lanterns. Firm is specialized in navigational & safety equip. distrib. & marketing. Reply to—Eng. Mostapha Azmy El Kattan, Mgr., EGITAN, 11 Avenue El Horreya, Alexandria, Egypt. Cable EGITAN ALEXANDRIA; tel. 809994; telex 54054 COMALX UN EXT. 062 MAK.

Fabricated rubber products

3069523—FRANCE—Molded rubber mechanical goods, adhered to metal. Estab. 1936, employs 120, distributor of industrial equip. Annual sales volume $10 million. Bank ref.—Credit Du Nord, 59000 Lille. Reply to—Raoul Bernard, Safia, 62 Rue Du Long Pot, 59000 Lille, France. Telex 820 203; tel. (20) 56-72-13.

Plastic products

3079810—ITALY—Cellophane rolls, of any quality & height. Total est. value $800,000 —$1 million. Also, cellophane rolls sought, 2nd & 3rd quality for $5-600,000, 1st quality, if price competitive, for $3-400,000. Exclus. agency arrangement. Requests shipment on consignment with inventory maintained in Italy at expense of importer. Cash payment to seller upon withdrawal from inventory. Periodic local inspection readily acceptable. Small commercial office dealing as importer, agent, distrib. of foreign products as well as exporter of natl. products to EEC countries. Also supplies tech. consulting engineering services. Estab. 1973, employs 3 & has 3 salesmen plus 4 reps. Local sources report subject reliable, well managed, punctual in payments, & has increasing business turnover. Maintains annual business volume for 2nd & 3rd quality cellophane already of $600,000 & foresees strong sales increase if U.S. cellophane is of good quality & has competitive price. Reply to—Vincenzo Gabrielli, Partner, Studio Guercino S.R.L., Via Matteotti 41, 44042 Cento (Ferrara), Italy. Tel. 051/906550.

Flat glass

3211120 — DOMINICAN REP. — Window glass. Estab. 1970 to engage in commission agency business, dealing chiefly in raw materials, glassware & lamps. Firm has 10 employees & claims annual sales volume $475,000. Ref.—Hale Trading Co. Inc., 17 Battery Place, New York, N.Y. Contact—Maria Teresita Bodden De Torreira, Prop., Torreira Comercial, Gustavo Mejia Ricart No. 80, Apartado No. 430, Santo Domingo, Dominican Republic. Cable TORREIRA; telex 3460220; tel. 565-3327.

Glass products

3231698 — DOMINICAN REP. — Firm seeks overseas agency for test tubes, vials. Organized 1974, to engage in commission agency business, dealing chiefly in industrial raw materials. Paid-in capital $12,000; employs 7. Claims co. ref.: Penreco, N.J. Reply to—Isaias Herrera Co., Pres., Chemimport Dominicana, S.A., Avenida Bolivar No. 403 Altos, Apartado No. 666, Santo Domingo, Dominican Republic. Telex RCA 3264347; tel. 689-7618.

Steel mill products

3312159-256—INDIA—Stainless steel semi-finished products (billets, slabs, sheet bars, tube rounds & skelp). Estab. 1964; small-sized partnership dealing in nonferrous metals, stainless steel, tool/alloy steel & iron & steel. Sales turnover 1977 approx. $300,000. According to Mr. Shah there is good market for above products in India. Reply to—V. K. Shah, Partner, Sunrise Metal Corp., 3 Ramnik-Bhavan, 7, 2nd Carpenter St. (Sutar Gali), Bombay, India 400 004. Cable METALSUN, BOMBAY GIRGAON.

3315211-13-17 — ISRAEL — Steel wire nails, bright, galvanized, & cement-coated. Long estab. family business founded 60 years ago by 4 Abdul Hadi brothers, one of largest importers & distrib. of hardware & building materials on W. Bank. Imports from Europe, Japan & U.S. Reportedly means are adequate for smooth operation, meets obligations promptly. Annual sales est. $700,000. Rep. of Shima Trading Co., Tokyo, Japan & Iref (S.P.A.), Milan, Italy, on West Bank. Firm seeking U.S. suppliers & possible representations for builders' hardware. Quote f.o.b. against L/C, Haifa or Ashdod. Reply to—Hasan Abdul Hadi, Gen. Mgr., Helmi Abdul Hadi & Sons Co., P.O. Box 43, Nablus Via Israel. Cable HADICO. Tel. NABLUS 555.

Rolling, drawing nonferrous metals

3353351—HONG KONG—Aluminum foil, embossed & plain, colored & printed fancy, thickness 0.009/0.010mm. Cable—H.C. Lo, Dir., Unique Commercial Distributors Ltd., 1403 Tung Ning Bldg., 249-253 Des Voeux Rd., C. Hong Kong. Cable SYSTEMS HK; tel. 5-454384.

3356971—HONDURAS—Tin & tin alloy sheets 70/75, bright, 26x36" ¼ tin sheets. Operates agency for representation & distribution, & requests offers c.i.f. Puerto Cortes against L/C or other terms of payment. Terms of delivery, price lists, catalogs & similar info. requested. Enjoys excellent reputation in local banking & commercial circles. Reply to—Jose Antonio Castellanos, Mgr., AC Multiservice Co., Edificio Banco De Honduras 411, San Pedro Sula, Honduras. Cable MULTISERVICE; tel. 523898.

Cutlery, hand tools, gen'l hardware

3423000—SAUDI ARABIA—Wishes contacts from U.S. mfrs. & supplies of hand & edge tools. Reply to—Mohammed Al-

Belessi, Mng. Dir., Abu Zudhi Est. for Trading & Commission, P.O. Box 3866, Jidda. Cable ABUZUDHI; tel. 39758.

3423151—BELGIUM — Automobile jacks, mechanical. Estab. 1931, imports & sells in Benelux, lubricating oils, greases & antifreeze products. Represents Pennzoil Co., Oil City, Pa., for oils, lubricating products, Union Carbide, New York, for antifreeze car products. Firm employs 15 & has annual sales volume of $1,000,000. Reply to—J. P. Baiwir, Mng. Dir., Luxol S.A., Zoning Industriel, B-5750 Floreffe, Belgium. Tel. 081/44.53.71; telex 59232.

3429310, 3469500—DOMINICAN REP.—Stamped & spun utensils, cooking & kitchen; vacuum & insulated bottles. Started operating as commission agent in 1963. Buys chiefly from Canada, U.S. & Portugal, & claims annual sales volume $300,000. Correspondence in Spanish. Ref.: Purchasing Agents for Latin American Countries, 130 St. Paul's Place, Brooklyn, N.Y. 11226. Reply to—Casimiro Fajar Alvarez, Proprietor, El Conde No. 204, 2DO Piso, Santo Domingo, Dominican Republic. Cable CAFAEL; tel. 682-1795.

3429862—WEST GERMANY—Hose fittings & couplings. Est. annual sales potential about $25,000. Founded 1885; well-reputed distrib. of technical products. Employs 25; annual sales about DM 5 million. Good financial reputation. Reply to—Ulrich Ehlers, Kruse-Technik GmbH & Co. KG, Postfach 10 39 15, Geeren 26/28, D-2800 Bremen 1, Germany. Telex 0245940; telex 0421/31 06 48.

Heating apparatus, plumbing fixtures

3433330-50-70-81—BELGIUM — All types metal radiators & convectors for industrial & residential heating. Estab. 1965, sells plumbing & heating supplies to St. Ghislain area of Belgium. Reply to—Roland Vansteelandt, Ets. Dellon, 11 Rue De L'Industrie, B-7330 St. Ghislain, Belgium. Tel. 065/77.85.21.

Metal stampings

3462900—WEST GERMANY—Steel forgings for ships, e.g., anchors, anchor chains & bowsprits. Supplier of all types of technical articles, especially for shipbuilding industry. Represents several German & foreign mfrs. Founded 1923; employs 12; annual sales amount to about DM 3 million. Good financial reputation. Est. annual demand of steel forgings depends entirely upon offers received. Reply to—Hermann Thomsen, Sales Mgr., Heinr. Wilhelm Huss & Co., Postfach 110205, Stresemannstr. 56, D-2800 Bremen 1, Germany. Cable WESERSTAHL BREMEN; telex 2445180 HUSS D; tel. 0421-490032.

3497130—WEST GERMANY—Foil packaging products. Potential annual import value DM 1 million. Small distrib. of packaging material. Employs 2 & lists annual sales at DM 1 million. Well introduced in business community. Reply to—Rolf Pfizenmaier, Pfizenmaier Kunststoffverpackungen, Armbruststrasse 60, D-7312 Kirchheim/Teck, Germany. Tel. 7021/6445.

Materials handling equipment

3534031 — GREECE — Automobile lifts (service station & garage type). Interested in automatic car parking garages of two types: for individual car parking, for bulk storage of cars. Estab. 1938 & operates as mfr., importer & distrib. of diesel engines; fork lift trucks, trucks, motor vehicles, parts, etc. Employs 160. Represents long list of U.S. & European firms. Has 50 dealers throughout country. Local credit directory lists 1976 gross income of DRS. 48.4 million. Interested in excl. distrib. of above. WTDR 5/77. Reply to—D. Marsch, P. Petropoulos S.A., 96 Iera Odos, P.O. Box 1137, Athens 301. Tel. 01-3462923; telex 21-6189; cable PETROMOTOR.

Metalworking machinery

3546110—BELGIUM—Masonry saws (all capacities); concrete/asphalt saws. Mr. Focan is working with large local firm importing machinery in this field. Now wishes make use of his experience & start own business. Reply to—Lucien G. Focan, 133 Rue Des Bons Buveurs, 4310 St. Nicolas, Belgium. Tel. 041/26.17.56.

Special industrial machinery

3559551-5 — SPAIN — Bottle-forming machines, glass making machinery & equipment. Manuel R. Perez, former Spanish merchant marine chief engineer, estab. himself as agent June 77. Mostly dealing in supplies, parts & equip. for ship repairing & shipbuilding industries. Maintains head offices in Barcelona & employs 4 sales agents. Sells throughout Spain. Perez, who operates under commercial name Perez Galiana, has about $7,000 invested in his activities. Mostly operates on commission basis. Enjoys good commercial reputation & appears to be active enterprising agent looking for new opportunities. Co. ref.—Tallerres Metra, Danta Alichieri 158, Barcelona 32. Fin. ref.-Banco Urquijo, Paseo De Gracia 27, Barcelona 7. Reply to—Manuel R. Perez, Owner, Perez Galiana, Consejo De Ciento, 345, Desp. 46, Barcelona 7, Spain. Telex 54532 TLX FOR P.G. Tel. 34/3/2160017.

3559589—JAPAN—Special machines designed to automatically turn in, round, & press corners & edges of book covers, bags, & wallets made of leather or imitation leather, particularly those requiring round-cornered work. Medium-size trading firm with 350 employees, seeking to locate U.S. mfr. of above types of special industry machines, which firm believes may have good market potential in Japan. Currently, process for which machines sought is done by hand. Firm has made direct contacts with some U.S. mfrs., but failed to locate exact machine it seeks. Reply to—Kiyoshi Masuda, Mgr. of Mktg. Div., Matsushita Industrial Co., Ltd., Matsushita Kogyo K.K., Tokyo Office 17-23, Shimomeguro, 6-Chome, Meguro-Ku, Tokyo 153. Cable MICLBRANCH TOKYO; telex 0246-8193 MICTYO.

General industrial machinery

3568396 — SWITZERLAND — Outboard gear drives. Est. sales $20,000. Small to medium proprietorship. Handles marine hardware, cordage, rope & twine as well as fashionable marine clothing. Business & payment practices are good according to bankers—Kantonalbank Von Bern in Thun. Business recommended. Reply to—L. Mosegaard, Dan Import, Talackerstr. 63, Ch-3604 Thun, Switzerland. Tel. 033/36 27 26.

3569126—MOROCCO—Labeling machines for office use. Firm specializes in office & school supplies, adhesive products & small tools. Seeks U.S. mfrs. of listed products for excl. distributorship. Send letters & publicity material, in French if possible, to Mr. Benabdeljelil, COGICOM, 315, Blvd. Mohammed V, Casablanca, Morocco. Cable EXCEL; tel. 27-34-80.

Household appliances

3631259 — WEST GERMANY — Propane gas camp stoves. German firm supplies wholesalers, mailorder houses, dept. stores, retailers, etc. throughout Germany. Service as well as assembly of products can be handled by co. Estab. 1961. Annual sales DM 3 million. Financial ref.—Commerzbank AG, 5650 Solingen. Reply to—Herr K. Spitzer, Kurt Spitzer-Metallwaren,

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3635041—BELGIUM — Vacuum cleaners, complete power units, central system type. Partnership, estab. 1976, acts as importer/exporter of household electrical appliances. Employs 50. Reply to—Mr. Carlier, Mktg. Mgr., S.P.R.L. Bulped, 17 Ave. Du Parc, B-7000 Mons, Belgium. Tel. 065/31.22.79.

3639961-3—WEST GERMANY — Household floor waxing & polishing machines. Founded 1969. Annual turnover DM 5 million. 35 employees. Reputation sound. Reply to—Peter Wiese, Wiese Reinigungtechnik, Chromstrasse 4, 3004 Isernhagen 2. Tel. 0511-77 20 61; Telex 9 24 063.

Electronic equipment

3662622 — NETHERLANDS — Ultrasonic cleaning equip. Small importer & distrib. of ultrasonic cleaning equip., micro-welders, drills & solders, micro-laser apparatus & fluid cooling machines. Estab. 1969, employs 5 & imports from E. Germany, France & Switzerland. 1976 annual turnover DFL 1.1 million. Financial ref.—Nederlandse Middenstands Bank, BV Baarn. Reply to—J. W. J. Wilms, Mng. Dir., Unitech BV, Cantonlaan 6, Baarn, Netherlands. Tel. 02154-18297.

Electronic components, accessories

3679013—UNITED KINGDOM—CRT gun parts, shields, glass to metal seals, & metal spinnings. Firm is one of the largest tube mfrs. in Europe, producing CRT's of all kinds except TV picture tubes. Requires prime & second source suppliers for components & sub-assemblies. Reply to—J. Wood, Purchasing Mgr., Rank Precision Industries Ltd., Sidcup-by-Pass, Sidcup, Kent, U.K. Tel. 01/302/0271.

Engineering, laboratory, scientific instruments; lab furniture

3811381, 3823080-90 — NETHERLANDS —Firm seeks excl. agency for wood lab furniture, as well as indicating or recording controllers; recorders, non-control; indicators only; transmitters, producing standardized electric or pneumatic parts, supplies, accessories, other primary sensors n.e.c.; panelboards & other equip. associated with process control instrumentation; other liquid analyzers; direct deflecting type controllers; direct deflecting type indicators & recorders; self-balancing type electric or pneumatic controllers; self-balancing type indicators, recorders, integrators; digital type transmitters producing standardized electric or pneumatic analog transmission signals. Estab. 1955 & employs 30; subsidiary of Pollutex Milieutechniek B.V., environmental control div. of Meneba, N.V., at Rijswijk. Large & financially strong holding co. Represents 6 foreign cos., 3 of which are U.S. Considered good business contact for U.S. firms. Bank ref.—Amro Bank N.V., The Hague. Reply to—J. C. Van Den Ouweland, Sales Mgr., Hydrochemie-Conhag B.V., Industrrieweg 58-60, Berkel En Rodenrijs, Netherlands. Tel. 01891-5822; telex 21339.

Measuring & controlling devices

3823025—SPAIN—Electronic equip. for measuring & controlling continuous production processes (for paper, cement, mixed feed & chemical industries). Co. is large commercial firm located on main street of downtown Bilbao with 65 employees, estab. 1967. Importer, agent & distrib. of low voltage material & electronic process control equip. Excl. rep. of several European & Japanese firms, & interested in representing U.S. firms on agency basis for the above & in direct purchases of electric equip. & components of small value. Maintains branches in Madrid, Barcelona & Seville, & sales agents in other smaller cities of Spain. Annual gross sales est. more than $3 million. Quote c.i.f. Co. ref.—Felten & Guillaume, Schrems, Austria; fin. ref.—Banco De Vizcaya, Gran Via 1, Bilbao 1, Spain. Reply to — Francisco Gomez Ibarguengoitia, Mng. Dir., Medex, S.A., Gran Via 89, Bilbao 11, Spain. Telex 33771 NAVES; cable PUBLIMEDEX; tel. 94-4417200.

Toys, amusement, sporting goods

3944287—JAPAN—Nonpowered miniature models of agricultural mach. & equip., incl. tractors, plows, balers, hay wagons, trailers, hay makers, side delivery rakes, hay conditioners, seed drills & maize harvesters (desirable scale—1/20-1/50). Estab. 1977, small importer & wholesaler of dairy machinery & equip. At present 80 percent of firm's sales are automatic pipeline milking systems from New Zealand. Sales territory covers all of Hokkaido. Capitalized at 8 million yen ($33,333, exchange rate yen 240—U.S. $1); employs 7; est. annual sales turnover 45 million yen ($187,500). Requests literature & price information. President visiting U.S. in late March. Reply to—Yasuyuki Terui, Mng. Dir., Iburi Dairy Equipment Co., Ltd., Toasa, Hayakita-Cho, Hokkaido, 059-14. Tel. 01452-2-2237; cable IDEC HAYAKITA.

Visiting Buyers & Officials

INDIA—Bombay manufacturers' rep/commission agent wishes to purchase: 1) **machinery for shoe-making,** either from shoe manufacturers or from shoe-making machinery manufacturers, used or new with export possibilities; 2) **machinery for manufacturing inner and outerwear,** either knitted cotton or polyester, for men, women, children; 3) **machinery for manufacturing leather garments.** For additional information contact Jane Puse, U.S. Department of Commerce, Foreign Buyer Program, Room 2322, Washington, D. C. 20230, 202-377-3265.

AUSTRALIA—Melbourne wholesale firm wishes to obtain exclusive distribution of several lines of institutional and household **glassware, crystal, silverware, flatwear and hollowware, pewterware and crockery.** He will visit the U.S. in the next few months. The firm is importer and distributor of institutional and household tableware, kitchenware and utensils, with annual sales of $2 million, and maintains selling agents for each major city of Australia. Goal is to develop annual sales of $1 million for each of the major lines added within the next few years. Contact Jane Puse, 202-377-3265.

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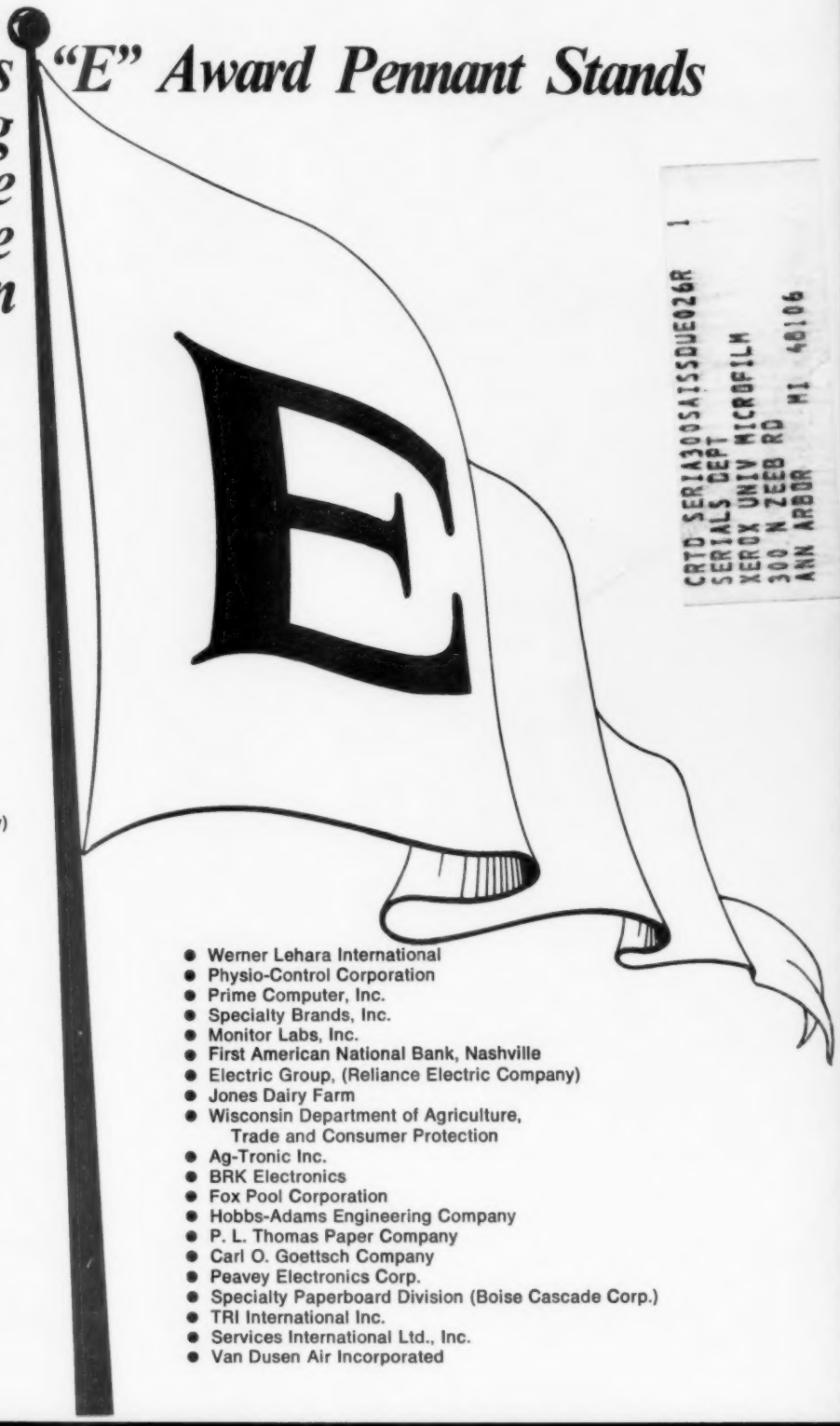

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